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THE FRONT PAGE

The Russian Peace

THE people of the democratic countries seem absolutely incapable of grasping the fact that the power to preserve the peace is dependent upon the possession of the military strength with which to preserve it. Nor are their governments doing much to educate them in this essential piece of knowledge. The most apt reflection on the whole business, so far as we have seen to date, is by the *Letter-Review* of Fort Erie, which notes that Washington, London and Ottawa seem to be vying in the reduction of military expenditure and military effort, and continues: "It seems fairly certain now that the U.N.O. Security Council will soon be in a position of being able to depend on no forces except those of Russia to maintain world peace."

With the people of Great Britain we can have some sympathy. They at least are carrying an enormous burden of military expenditure the purpose of which extends far beyond the protection of their own islands. Considering the economic position in which the war has left them, they are probably doing as much for the maintenance of world peace as can reasonably be asked of them, and certainly far more than either Canada or the United States.

But the point to note in the *Letter-Review's* observation is that the purpose of military expenditure by any peace-loving nation today is not, and has nothing to do with, the mere defence of that nation's territories or dependencies. It is precisely the maintenance of world peace,—under the U.N.O. Security Council if that body is permitted to take action, without the U.N.O. Security Council if it is not, but always and in any event the maintenance of peace. And the kind of peace that is maintained will depend largely on the people who do the maintaining. The world had for many years a Pax Britannica which served it very well. It can now have a Pax Americana, or it can have a Pax Slavica—whichever it wants to pay for.

Primer Lesson No. 1

THE principle of incentive is quite simple. When it is in operation, the more work you do, or the better work you do, or the more or better work you make your capital do, the more satisfactions you are able to command. It is a principle that is recognized now even in the Soviet economy, to the extent that different occupations are given widely different remuneration. In order for it to operate effectively, it is essential that the power to command satisfactions—that is, to purchase desired goods or services,—shall pass into the hands of the person who has done the more or better work or caused his capital to do it.

The more this purchasing power is withheld or withdrawn from the person who does the work, by taxation, *even though the results of that taxation be employed to provide him with goods and services*, the less incentive is left to induce him to do more or better work. This is because (1) the goods and services thus provided are available to him unconditionally, without any need for more or better work on his part, and (2) because they are *not* the goods and services which he would have chosen had the choice been left to him. They may be much better for him; an orchestra concert is probably better for a man than a bottle of rye whiskey, and two dollars' worth of unemployment benefit than a ticket to the races. But the money that is taken from him to pay for his unemployment benefits, and the money that will be taken from him to provide his orchestra concerts when the province takes to providing them (the C.B.C. already provides them out of his $2.50 if he is a radio listener), is just that much taken out of his incentive to do more or better work. And yet we are surprised that people are not

(*Continued on Page Five*)

—Photo by Malak, Ottawa.

"If Winter comes, can Spring be far behind?" Scene in Gatineau Park, Ottawa's all-year playground.

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Too Few Know Their Summer Haunts in Winter

"Whether the eve-drops fall . . . or if the secret ministry of frost shall hang them up in silent icicles", it's a sure sign of soft weather. In any event, the ranger's cabin is hard to beat for warmth and snugness.

Fishing through the ice certainly calls for endurance and patience, but the reward is usually a lake trout of superior size and quality.

The mantle of snow drapes itself smoothly over craggy rocks and rotting logs alike.

By Lyn Harrington

Photos by Richard Harrington

IN WINTER, Algonquin Park becomes a solemn land, austere with biting winds, and crisp with frost. But an abundant life still goes on, a life no less vigorous and exciting than in the heat of summer.

Now is the time to read the book of Nature, its story told in pages of snow. The triangular track of the rabbit, the precise, mechanical trail of the grouse, the double dots of squirrel, mink and marten are there for the studying. Dainty tracks betray the foraging of a fox, while great, round prints tell the tale of the wolf hunt.

All human life has not fled the parks, however. Rangers who patrolled the park in summer, putting out fires, prescribing sunburn lotions, and checking fishing licenses among their numerous duties, now become woodcutters. They toil in an enchanted forest, where old stumps become extravagantly frosted cakes, where trees wear chokers of ermine, and the snow is zebra-striped as a low sun slants through the young trees.

SNOWSHOE trails wind throughout the parks, which are also game preserves, as the rangers tramp out their winter patrols. Then, more than ever, a sharp watch must be maintained against poachers, who would despoil the sanctuary for wild creatures. From overhead may come the hum of a plane, keeping guard over our national heritage.

Winter is the time to lay in a stock of ice to tinkle in glasses when summer days come in. Bundled warmly in heavy clothing, workmen cut the great ice cubes from the dark water, pack them into the ice-houses of summer residents, insulate them in sawdust.

IN THE winter parks comes opportunity to test the undying story of the fierceness of the Canadian timber wolf. Crossing frozen lakes, the wolf packs may be seen gambolling like puppies. Apprehension rises, as to whether the tales told for centuries may not be true. But alas for legend, the wolves take to the tall timber on sight of man. Nor has any ranger known them to act otherwise.

Winter comes early and stays late in the woodlands of Canada, and the pity is that so few people realize the beauty to be found there. Only a handful of cottagers return to their summer haunts during the cold weather. Fewer still stay on throughout the chill months. But rich are the rewards for those who keep their rendezvous with winter.

The snowplough keeps the railway line open for hardy winter vacationists.

Rangers, walking between walls of split maple and elm, draw from huge supplies of firewood already cut.

A gas-driven saw makes light the rangers' work when in a cooperative mood, but it can be temperamental.

If "the wood you cut warms you twice", the ice you cut cools you twice, both during operations and when summer returns.

These People Have a New Recipe for Housing

By John Reid

Photos by John Steele

IN PRE-WAR days miners in Nova Scotia pooled their efforts and money to build the first cooperative community in Canada: Tompkinsville. Today, groups in Ottawa, Peterboro, Port Arthur, Kingston, Kitchener, and Cornwall are planning similar projects. A C.I.O. Textile Union in Hamilton is also actively interested. Most of these groups will use the same basic principles and technique that have governed all cooperatives since a few men in Rochdale, England, first put them into practice over 100 years ago.

And for advice in the practical job of building in communities, they have in many cases turned to Toronto's Cooperative Residential Communities, an organization which has almost completed its first project, Heathbridge Park, and has started two others.

What is new about their method? C. R. C. grew out of the plans of a few friends to build their postwar homes together; buying land and materials as a group would lower the cost to each. One of them, an architect specializing in town planning, soon realized that there would be little saving on so few houses.

The Institute of Modern Residential Planning, of which Mr. L. W. Mitchell is now president, was formed as an educational and advisory organization. Actual projects are carried out by C. R. C., whose members decide what they want and how they will get it. They agree that a tract of 70 acres with some 200 homes would be nearly ideal; after ample provision is made for park space, a quarter acre is left for each lot. And the advantages of central heating could then be enjoyed at less cost, in the end, than the installation and operation of individual furnaces.

Such tracts cannot be found centrally in Toronto, and so large-scale projects will have to be on the outskirts. Heathbridge Park and its extension are on a much smaller scale. Eight house types were chosen by the original 35 participants. Financing has been done in part through the National Housing Act.

The layout of Heathbridge, with its pattern of wandering streets and cul-de-sacs, was approved of by those living there. They saw the wisdom of the architect's desire to face all living-rooms south, so that the long strip windows which "let the outside inside" would also permit the sun to help with the heating during winter.

GROUPS in other parts of Canada are at present entirely autonomous. But they have all been formed by people with the same motive: to provide themselves with services which they could not obtain individually.

When persons purposely plan their homes so that each forms part of an architectural whole, when they work together for months with common headaches and hopes, the result may be more than new houses. At Heathbridge, for example, they plan to own their own store for their own benefit; members of a new project are deciding whether or not they will have a community building on their land.

Some people identify cooperatives with low-cost housing exclusively. The trend will follow the means of the members in different places—which are likely to be quite moderate. Others see it as a way of building more cheaply. That again is only one aspect. For a cooperative that exists for patronage rebates rather than to satisfy the needs of its members is abusing the principles on which it is founded.

A Cooperative Residential Communities' house showing radiant heating unit before ceiling is plastered; radiators may be chosen if preferred. Oil burners, bought in bulk, are being installed throughout the project.

One-level house next to two-level; single storey is insulated in summer by flooding the roof.

Eight different types of houses were chosen at Heathbridge. In future, architect will place . . .

When the sun is higher in summer, its direct rays will be cut off by this solar canopy. With double glass, the winter sun will lessen the coal bill.

. . . houses where he thinks best on the lot. In north-south rows they will be "staggered" to . . .

. . . get sufficient sun. Living rooms face south. Hydro and telephone are being laid underground.

DEAR MR. EDITOR

"King Can Do No Wrong" Maxim Can Be Misused by Ministers

Editor, SATURDAY NIGHT:

YOUR recent editorials on the Premier of Quebec and Jehovah's Witnesses and their sympathizers have been of special interest in that the principle of "the rights and liberties of the subject" is very much involved. But Quebec is not the only province of Canada that has offended against that principle.

The Government of Saskatchewan by one of its ministers offended in the manner in which the lease of a Mr. Brown over a trapping ground was cancelled or ignored and the Brown rights under the lease handed over to others. Mr. Brown was refused restoration of his rights and a fiat under a "petition of right." Manitoba refused to consider the case of one Vint for false arrest and imprisonment. No doubt there have been others who have offended in other such ways in which that principle has been held in contempt, and remedy refused.

These things are done behind the screen of the maxim "the king can do no wrong" and, therefore, can not be sued or prosecuted. The only remedy of the wronged subject is by way of appeal to the conscience of the offender by way of petition of right, which in turn may or may not be granted at the pleasure of the Crown. In Canada, the Crown is, in practice, those who have committed the alleged offence against the rights and liberties of the subject. They are then sitting in judgment on their own acts or those of their agents.

So long as this view of "the king can do no wrong" doctrine is accepted it is very convenient for the tyro statesmen who from time to time come into power to offend against the rights and liberties of the subject.

In a course of lectures on the "Constitutional History of England," by F. W. Maitland, LL.D., one-time Professor of the Laws of England at Cambridge, commented thus on the maxim "the king can do no wrong" as accepted in Canada, and the petition of right:

"We regard it as a constitutional usage, but certainly not as a rule of law, that the king ought not to withhold his fiat, 'that right be done'."

As to the status of the minister and his "agents," he says this:

"We can hardly lay too much stress on the principle that though the king cannot be prosecuted or sued, his ministers can be both prosecuted and sued, even for what they do by the king's express command. We often say that in this country royal immunity is coupled with ministerial responsibility, but when we speak of ministerial responsibility we too often merely think of the so-called responsibility of ministers to parliament.

"Strictly speaking ministers are not responsible to parliament, neither House, nor the two Houses together, has any legal power to dismiss one of the king's ministers. But in all strictness the ministers are responsible before the courts of law and before ordinary courts of law, and they are responsible even for the highest acts of the state; for those acts of state they can be sued and prosecuted and the High Court of Justice will have to decide whether they are legal or no. Law, especially modern statute law, has endowed them with great powers, but the question whether they have overstepped those powers can be brought before a court of law, and the plea 'This is an official act, an act of state' will not serve them. A great deal of what we mean when we talk of English (British) liberty lies in this."

This exposition appeals to me as being sound doctrine. One of the functions of a democratic government is the protection of the "subject" from the wrongful or over-zealous acts of a minister or other servant of the "crown."

WM. E. LAIRD

Portage la Prairie, Man.

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Financial Critics

Editor, SATURDAY NIGHT:

CAN the Calgary correspondent who criticized Mr. Eggleston (S.N., Jan. 25) for praising the Bank of Canada, the Department of Finance and their war financing program name a single country that has a better scheme for now meeting the bills, and who has met equal per capita war-commitments in manpower and production? If he can, then that country's plan should be studied and adapted to our needs. But if none exists, then we should go along with Mr. Eggleston's contention and make our payments to Mr. Abbott cheerfully.

Moncton, N.B. HAROLD D. THORNER

Changing Surnames

Editor, SATURDAY NIGHT:

EITHER your editorial or I missed the crux of the matter in your comment "On Changing Names" (S.N., Jan. 11). The point was, I consider, that a family of one name —and I presume a family which has for generations honored and done honor to that name—objected to another family of another name taking their name and to some degree gaining a respectability therefrom, or at the very least gaining a combined and confusing identity with themselves.

Since all benefits derived through the selection of this name were unearned benefits, I see nothing wrong with the objection of the family originally entitled to the name; and I cannot see that their objection to sharing their name has any bearing on whether or not the other family was composed of New Canadians.

Naturally, although that is the summation of one particular point in one particular case, the whole problem is something else again. The whole business of name changing seems to be very dangerous and very much misunderstood. For instance, what are the reasons for name changing? When other nationalities come to Canada we welcome them. They want—and we encourage them —to retain their own language and culture in so far as possible. Much is done to preserve their handicrafts, their music and their dances. They are helped to become a community within a community—one with us, yet not losing their identity to us. Yet despite all this there have been thousands of cases where names, which one would think the holders would be proud to retain, have been legally changed in a way that effectively destroys identity. Is it only for reasons of ease in spelling and pronunciation by us?

How did this ease in name changing come about? Are we honor bound by precedents in countries from which New Canadians migrate? If I emigrated to Russia, could I go to court there and have my name changed to Molotov, or even Gouzenko? Are we letting ourselves in for something? We must not forget that 90 per cent of the immigrants are every bit as good and sincere as ourselves; the other 10 per cent may not be. Change the names of that 10 per cent and it can become a cleverly hidden fifth column. (Examine the case of Fred Rose; in my part of the country Rose is a good Scottish name.) There is at present a movement to have Communists in labor unions identify themselves as such. One might add that all men in public life identify themselves fully at all times, and the simplest method is in retention of original surnames.

Almonte, Ont. R. A. BOND

Japanese in B.C.

Editor, SATURDAY NIGHT:

CONGRATULATIONS on your editorial comment on the Government's recent revocation of the order-in-council that rendered Japanese Canadian citizens liable to deportation (S.N., Feb. 1). The attitude of certain British Columbians who consider the presence of a very considerable number of decent Japanese men and women in their province a disadvantage is a shameful one and to me quite inexplicable. Nearly twenty of the best years of my life were spent in the province, teaching in the public schools and coming therefore in direct contact with Japanese children and their parents. This great and glorious country, suitable as it is to every race under the sun, is no place for narrow racial prejudice.

Cave Cove, P.E.I. M. MCKENZIE

Jewish D.P.'s

Editor, SATURDAY NIGHT:

I WAS amazed to see in an article by Albert A. Shea (S.N., Feb. 1)—"Europe's Recovery Enters Most Difficult Stage"—that of the "tough core of 1,000,000 refugees 800,000 are Jews, the bulk of them from Poland and Germany."

The figures of D.P.'s in Germany today are as follows:

French	660
Dutch	1,123
Belgian and Luxemburg	474
Russian	9,616
Estonian	30,978
Latvian	94,730
Lithuanian	57,495
Polish	351,221
Czech	1,225
Yugoslav	21,664
Italian	455
Hungarian	6,722
Rumanian	4,303
Austrian	245
Undetermined and Others	68,577
Jews (of all nationalities)	110,570
Total	760,058

I doubt if there are 200,000 Jews left alive in Europe today and certainly they create no great problem of resettlement in Canada as practically all want to go to Palestine. I doubt if more than a very few thousands ask to be sent to Canada although many would like to go to the U.S. if they could.

Westmount, Que. W. S. LIGHTHALL

Taxing Excessive Profits

Editor, SATURDAY NIGHT:

TEN years ago a Ford, model 68, cost $890 delivered in Toronto, a model 12-C9 Chevrolet $913, and a Plymouth $947. Prices are quite different today. The December boost brought a Plymouth Tudor to $1406. Since this 10 per cent increase went into effect a great many commodities have gone the same way, and the end is not yet.

Of course, all employees got an income tax reduction the first of the year. Wasn't that somewhat belated and hasn't it already been drained off, for most of us? Industry also got a tax cut — 25 per cent in corporation and excess profit taxes. Since they are being allowed to pass on rising costs in their prices, they will retain their tax saving. So investors are the only ones to benefit by the recent tax reductions.

If it's fair to raise prices because the employee has more wages after taxes, then industry might also be required to apply its tax saving against prices, in order to hold the line against inflation. Without question this country is now in the throes of an inflationary movement in which excess profits relaxation is no small factor.

Some prices are ridiculously high and can never be forced down by the consumer. Isn't taxing excessive profits the solution? Part of that which the public has been overcharged should be taxed back by a special graduated tax on profits. Such a tax has greater merit than the corporation income tax.

Hanover, Ont. JOHN W. GILBERT

Passing Show

By S. P. TYLER

THE correspondent of a New York paper writes that the Germans "will be taught American ways by a special civilian panel." It is understood they will not be permitted to choose the flavor of what they are called upon to chew.

•

Feeling proud of the health record of its community, a small-town newspaper in British Columbia has reminded its readers that four residents who died last year were centenarians. It is only fair to add that to become a centenarian at all is usually a grave risk.

•

A $150,000 research program has been launched by the Cornell Medical College to find out the cause of alcoholism. A high figure when some fellows seem able to discover the cause for the price of a quick one.

•

The London *Times* reports how the top note of a radio soprano shattered an "unbreakable" tumbler in the home of a listener. It has not occurred to us before, but we are now wondering if the Canadian Broadcasting Corporation is responsible for the leaks in our roof.

•

If You Please

An editorial in this paper has requested readers not to prefix the title SATURDAY NIGHT with the word "Toronto." Montrealers are requested to keep their chuckles sotto voce.

•

An elephant in the London Zoo was recently prescribed a pint of rum to forestall what the keeper diagnosed as a cold-in-the-trunk. This remedy is otherwise known as a snoot-full.

•

A news dispatch from Darwin, Australia, states that the moral standards of the aborigines were lowered considerably by contacts with white men during the war. In fairness to the visitors, however, it should be remembered that the natives have no culture to speak of.

•

A 75-year-old lady claims to have written the opening chapters of a book while suffering a lengthy state of coma. Many modern authors go one better and complete their work before they come round.

•

From a departmental store advertisement:

ORIGINAL OIL PAINTINGS
1/3 OFF

This should improve most of them.

•

We feel some sympathy for the lady who, writing to the press, described the dreadful feelings aroused by sudden radio program breaks which precede an ominous news flash, but this is not to be compared with the agony of being caught off guard during an unexpected burst of chamber music.

•

Lot For Sale

A Danish correspondent has intimated that the United States may buy Greenland for $1 billion, but there is still time for any interested reader of this column to make a better offer.

•

Professor James G. Shaw of Loyola College, Montreal, has urged greater recognition of Canadian poets. We had always thought their hungry look was unmistakable.

•

Recent headline in an Ottawa paper:

1947 FEMININE FASHIONS FLUID

Probably hubby's entire liquid assets.

•

Our niece Ettie is trying to find out what perfume is used by the 74-year-old lady in Windsor, Ontario, who recently married her fifth husband.

•

In an article on why pretty-girl calendars are so popular in households, the writer says that "Women like to see pictures of women; they don't like pictures of men." Here is one instance where most men and women will see eye to eye.

—Photo by Karsh.

Eighteen-year-old Barbara Ann Scott of Ottawa, Canada's outstanding athlete and winner of the women's European skating championship in Switzerland at the beginning of February, is competing this weekend in the world championships in Stockholm. Result will be known Monday.

The Front Page

(*Continued from Page One*)

so anxious to do more or better work as they used to be!

The remuneration for doing more or better work cannot be greater than the value added to the work. When a man whose work was worth $10 a day begins to turn out work worth $12 a day you cannot give him more than $2 additional. Of that $2 the tax-gatherer begins by taking 50 cents for unemployment insurance, health services, family allowances, more pay for civil servants and members of Parliament, better roads, subsidies to make oranges cheaper, and so forth. That leaves him $1.50, which may or not be enough incentive to make him do the extra $2 worth of work. But the unemployment insurance, the health services, the family allowances, the cheap oranges, these things *are no incentive;* he would get them anyhow even if he didn't work the extra $2 worth, and they are not the things he would spend the fifty cents on. Let the tax-gatherer add another fifty cents for orchestra concerts, improvements to the national parks, subsidized housing, better schools in Saskatchewan and similar great national purposes, and this fifty cents also will be no incentive; the real incentive will then be reduced to one dollar.

Somewhere there is a point at which the incentive will cease to incite. This is the fundamental defect of all public services paid for out of the taxes or by any form of compulsory levy; the taxpayer may like to have them, they may be good for him, they may be excellent for his fellow-citizens, but they diminish the amount of money which he would otherwise have available *to spend on the things he wants.* And only that money is any incentive to him to work or to incur risk. Who ever did more work in order to be able to pay more taxes? How much of the national income can be withdrawn from the incentive function by taxation, and still leave the incentive sufficient to be effective?

Late Dr. H. M. Tory

TO HAVE attained the age of eighty-three years and to be still actively engaged in educational work and in many national public activities is an achievement which few can rival, but it is a modest description of the record of Henry Marshall Tory, President of Carleton College and one-time President of the Royal Society of Canada, who died last week after only a few days of illness. Combining great learning with a remarkable executive capacity, Dr. Tory was continuously employed in the most responsible public posts from the time when he first attracted attention by his work in mathematics and physics at McGill at the turn of the century. There can be few if any persons in Canada who have served on as many royal commissions, delegations to foreign societies, conferences on research, educational committees and similar bodies. He will be deeply missed by the United Nations Society, to whose predecessor, the League of Nations Society, he gave loyal and devoted service during the years when the ideal of collective security had few friends in high places.

The Member for Pontiac

THE first speech in the Commons of Mr. Caouette, the Social Credit member for Pontiac, made it abundantly clear that here was a new force to be reckoned with. Mr. Caouette immediately, and not unnaturally, ran into the unrestrained hostility of the French Liberal members. He tried to discuss the kidnapping of the Social Credit campaign manager in the by-election of Richelieu-Verchères, but was headed off from that subject by the fact that it is being dealt with in the courts. Then, as a Parthian shot immediately before sitting down, he remarked that he could not congratulate the seconder of the Address in reply to the Speech from the Throne, "because the seat of the Hon. member for Richelieu-Verchères is stained with blood." This caused Mr. Lesage to demand that these "really unfortunate" words of the member for Pontiac be stricken from the record; and after some discussion Mr. Caouette consented to substitute the expression "because I do not like either the manner or the result of his election."

Throughout his speech Mr. Caouette showed himself extremely dexterous in the art of popular oratory, yet without departing notably from the tone which prevails in the more impassioned parts of the French debates in the Commons. He began with a vehement demand for the granting of the wage increase asked for by the miners of Noranda, which he followed immediately by the declaration that he could not possibly support them in their demand for the check-off. The arguments which he employed in both cases were calculated to be highly effective among French-speaking workers.

Even on the ancient doctrines of Social Credit he managed to produce an air of plausibility such as nobody else has been able to attain since the death of Mr. Aberhart. He harped very earnestly on the subject of liberty, and told the House that nobody could really enjoy liberty who did not possess purchasing power. He held that the Dominion Government was responsible for the inability of the Social Credit party to carry out its ideas in Alberta. He then sketched what we presume may be taken as the present program of the Social Credit party at Ottawa, namely, no income tax below $3000, an old age pension of $60 a month at sixty years of age, the same allowance for every sick person over twenty-one years of age, and the "national dividend" of $20 a month to everybody in the country.

Mr. Caouette may not long continue to be a Social Crediter, or he may even change the whole nature of Social Credit, but whatever happens he will continue to be watched with the greatest interest by people who are concerned about Canadian political life.

"COME CLOSER, PAL—FOR THE WARMTH"

Copyright in All Countries

E. B. White's Book

ONE of the finest minds in the United States is that of E. B. White, who prevents readers of the *New Yorker* from suspecting its fineness (and thus becoming alarmed) by writing in the disarmingly simple language of a good cook-housemaid. A small volume of his incredibly persuasive editorials has just been published under the title of "The Wild Flag" (Thomas Allen, $2.50), and should be read by everybody who likes the flavor of ripe old American wisdom. Mr. White is a believer in freedom and knows that it is something like clear streets in winter in a northern city—you have to work for it, to clear things away for it, every now and again, or it gets obstructed.

He was a little worried last year about our trying the German war criminals and ultimately hanging them. "Nobody," he observed, "not even victors, should forget that when a man hangs from a tree it doesn't spell justice unless he helped write the law that hanged him." That is a good democratic principle, but we don't think Mr. White should have been so doubtful about its applicability in the war trials. Germany signed the Kellogg Pact which declared the waging of aggressive war to be an international crime, and no German has claimed that the attack on Poland was not aggressive war. (So, of course, was the Russian attack on the same country.) It is true that the Kellogg Pact provided no court and specified no penalty, but that is not an uncommon defect in the early stages of the development of a new jurisdiction, and goodness knows the outlawing of aggressive war involved the setting up of a new jurisdiction. The only trouble we feel about it is that perhaps the Russians should have been in the prisoners' box instead of on the bench!

Mr. White's capacity for reducing things to their simplest terms is notable. He observes that the difference between an American and a German is that one likes to say "Hi!" and the other likes to say "Heil!" And it is, exactly.

Bill of Rights

THERE is a lot of discussion these days about a proposed Bill of Rights for Canada. Before members of the Liberal party—Oh, why should we limit it to one party?—Before politicians of any party come rushing forward in support of this proposal, may we point out to them one simple little elementary fact?

Any Bill of Rights which would be any real value to Canadians would have to have the effect of making it impossible for Parliament to pass such a law as the Dominion Income Tax Act, Section 6 (2), under which "The Minister may disallow any expense which he in his discretion may determine to be in excess of what is reasonable and normal for the business." The courts have decided that this means (and we do not see how they could have decided otherwise) that "The standard of correctness (for a business expense) is the opinion of the Minister; it is a subjective one belonging exclusively to him; . . . he is not confined to provable facts or admissible evidence, but may obtain his information from any sources he considers reliable; . . . in the field exclusively assigned to him by Parliament he is as free to act as Parliament itself; he may use his own judgment and be guided by the intuition of experience."

The Minister "is as free to act as Parliament itself." But Parliament is the whole body of representatives of the people. It "acts" by passing Bills through first, second and third readings in a Lower and an Upper House, with sundry committee stages in between. It acts ordinarily, and in matters of taxation we should say always, in general terms which apply to all relevant cases, not in particular terms applying to one case only. Everything that it does it does in the full light of the fiercest publicity which can be directed upon any object in the country. The Minister is one man. He "acts" by signing a document, in the privacy of his office, possibly in the dead of night, or in a fit of passion, or in a state of sickness, and nobody knows and nobody has a right to know why he acted as he did in the case of A and why he acted otherwise in the case of B.

Against this power of one man to "act as Parliament itself" no property right in the Dominion of Canada is secure, because no property right whose owner believes it to be being infringed can be brought into the courts for free and impartial judgment. Property has value because of the income that can be derived from it. The Minister is now, under this Act, the sole judge of what income may be derived from a given piece of property. He may if he likes disallow the cost of plowing a field as an expense against the income derived from the crop. The present Minister is not likely to do so, but who knows what his successor may do?

This is not a war measure, although the Act is officially described as the Income War Tax Act; it is just as permanent a measure as any on the statute book, and everybody knows it.

And any Bill of Rights to be worth the paper it is written on must be such as to make this section of the Income War Tax Act absolutely unconstitutional.

And of course Parliament should never have enacted it in the first place, and would not have done so if it had not already given up its age-old function of being a check upon the yearnings of Ministers and officials for arbitrary power.

Montreal's Licenses

THE revelations of appalling conditions in some of the duly licensed drinking places of the city of Montreal will not have caused much surprise to those who are familiar with the history of law enforcement in that metropolis. Like the related conditions in the gambling industry, they are such as would be possible only with a great deal of connivance from persons of high standing in public life.

Ontario newspapers which have seized upon these revelations as an argument against the establishment in Ontario of places licensed for the sale of liquor to be consumed on the premises are either dishonest or singularly simple-minded. The Montreal conditions are not the result of the existence of licenses, they are the result of flagrant and unchecked disregard of the rules and regulations attached to those licenses. If Ontario is equally incapable of enforcing its rules and regulations, then we shall have similar conditions in this province, but we do not think any Ontario newspaper would make that admission. We are assuming, in our support of Mr. Drew's proposals for a wider range of types of license, that they will be subject to proper regulations and that those regulations will be enforced.

It is difficult to see how the Montreal police can avoid making court cases against some of the establishments reported on by *Relations,* and if the cases succeed we presume that the licenses will be cancelled. The tolerance of such conditions by the licensees is surely as much a proof of unsuitability as Mr. Roncarelli's membership in the Witnesses of Jehovah.

As for the outcry about Toronto and certain other large cities of Ontario not being given an opportunity to vote upon the new licenses, it is only necessary to remember that it is raised by people who, if such a vote were granted and it went against them, would heed it no more than a duck heeds a shower of rain.

CIVILIZATION IN BARBARISM

THE Piegan Tribe in ancient days,
Roamed in the Rocky Mountain ways.

Two Chiefs they had; the one for peace,
Whose eloquence would seldom cease.

The other did the thinking for
The bitter days of tribal war.

His was the plan for ambuscade,
For home-defence, or active raid.

Each order, briefer than a hint,
Was like an arrow-head of flint.

The warriors, knowing it was made
In silence, cheerfully obeyed.

But when the days of war were done
The Chieftain was the Other One,

Whose oratory flowed as free
As a bright river to the sea.

Elders applauded. Younger chaps
Went off to run their lines of traps,

Or hunt the long-eared mountain deer.
They really "hadn't time" to hear.

Even the War Chief of the clan
Disdained "that garrulous old man."

MORAL

Oft when our rulers are selected
These wise suggestions are neglected,
So, read your Hansard, gentlemen,
Lest we may be at war again.

J. E. M.

Labor and Management Can and Must Get Together

By EDWARD B. HIGGINS

Free enterprise is on trial. It is on trial because management and labor have not devised efficient methods for maintaining industrial peace. With strikes providing fertile ground for revolutionary workers, our democratic system is being challenged as never before. This challenge can be met by fostering a spirit of mutual respect and understanding between management and labor of each other's problems. Reason must replace bitterness at the conference table.

Broad and full cooperation is not only desirable but imperative if we are to continue to enjoy the privileges of free enterprise. Labor and management must be united by the realization that the efficient, profitable operation of a plant is a question of common concern, on which the future security of both depend.

Industrial peace will provide abundant and efficient production—the key to a prosperous Canada. But peace will only come with the adoption on both sides of a new attitude of good faith and good will. Mr. Higgins, a keen student of industrial and labor relations, provides a thought-provoking analysis of this most pressing problem.

THE LAST 2,000 years of history have seen mankind go through three basic types of economy—slavery, feudalism and free enterprise. Each has been an improvement on the other. Today, free enterprise is, in turn, at the crossroads of its existence. Free enterprise is on trial.

It is on trial because while material efficiency has been increasing for two hundred years, the human capacity for working together has in the same period continually diminished. Because we have not devised efficient methods of stimulating and maintaining teamwork, it is not hard to understand how industrial unrest affords an opportunity for revolutionary idealists to promote strife and dissension wherever possible. Their aim? The destruction of free enterprise.

For the vast majority who believe in the democratic system under which we enjoy the rights of free men, the challenge is plain. Management and labor must seek common ground on which to build a sound stable economy which will guarantee a continuity of decent standards of living and reasonable prosperity. What we must achieve is industrial peace. This is the one problem that capital, labor and government must solve in the immediate future.

The nature of the charges and counter-charges made by both management and labor on the spur of the moment and based on anything but sound, rational thinking, is too well known to require reiteration here. Management has been accused by labor of opposing almost everything that spells security, well-being and peace of mind for the laboring man.

Labor and labor unions, on the other hand, have been charged by management with everything from being "a planned Communist attempt to control and disrupt the industrial life of this continent," to being an irresponsible, unwisely led, monopolistic group whose unreasonable demands have no regard for the general welfare of our country.

But does not the truth lie somewhere between such conflicting statements? The truth, in a broad, complex problem such as this, may not be either easily discernible or easily recognized if disclosed. It might be possible, however, to get a clearer picture of what labor and management are saying and then try to discover if their apparently irreconcilable viewpoints are as far apart as casual thinking would lead us to believe. Can the common ground of compromise provide the basis for industrial peace?

How Labor Sees It

Labor leaders have been most outspoken in their criticism of management. They claim that history provides ample evidence that even within the period of the last twenty years, big business has had a poor record in its attitude towards the social welfare of the masses. To management, labor has been, in the past, just another commodity to be purchased at the lowest possible cost, and it is not until recent years that employers have come to recognize that labor is a human commodity with all those personal characteristics and problems of mature human beings.

Charles Luckman, president of Lever Bros. in the United States, neatly phrased labor's castigation of management in a statement noteworthy for its indictment of big business, of which he is an outstanding representative. "We declared war," he said, "on collective bargaining. We opposed increased taxes for education. We fought health and safety ordinances. We battled child labor legislation. We yipped and yowled about minimum wage laws. We struggled against unemployment insurance. We decried social security, and currently we are kicking proposals to provide universal sickness and accident insurance."

A good many industrial leaders will take issue with such statements. It must be pointed out that many progressive Canadian employers did take an interest in the welfare of their employees as early as 1920. This trend continued at a normal rate of growth until 1935, when the passage of the Wagner Act in the United States provided labor with increased power and prestige — the effect of which was felt almost immediately in Canada. The subsequent rapid growth of employee benefits provided by industry, both voluntarily and as a result of union activity, is well known.

Labor points also to the firm (and in some cases inflexible) attitude of management towards the existence and growth of labor unions. The demands of unions for recognition, the closed shop, the union shop, maintenance of membership, the check-off and increased rates of pay, have received, they claim, little sympathy as a rule from top management. With attention focussed on the mechanical and technical aspects of industry, employers have until recently largely overlooked the fact that industry is carried on by men and women on a cooperative effort basis. Employers are, for the main part, now recognizing that they are partners with their employees; that while a company is entitled to a fair return on its capital, its employees are also entitled to a salary which will enable them to support their families—*a salary that will be proportionate to their contribution to production and to profits.*

So much for a quick review of what labor has been saying about management. But what does so called "big business" have to say concerning labor and labor unions?

Right from the beginning it is only fair to say that employers have in recent years been giving an ever increasing amount of attention to labor problems. They have installed personnel departments designed to improve, maintain and develop better employee-employer relationships. They have realized that the management of labor requires as much care as production and marketing. As a result, many companies have instituted group insurance, pension plans, plant medical care and vacations with pay. That these employee benefits were provided voluntarily by employers or came as a result of pressure from labor unions is not too clear, but it is fast becoming necessary for companies to provide such benefits if they are to attract and hold labor in these days when labor is not in plentiful supply and is subject to competitive bidding by employers. Today industrial relations have assumed a new importance to top management—labor is being considered less and less as a commodity, and more and more as a partner in production.

Public Criticizes Strikes

Nearly 50 per cent of an accurate cross section of Canada's voters, in a recent Gallup Poll, criticized labor unions for excessive demands, unwise leadership, irresponsibility and dictatorial tendencies. It is hardly necessary to add that employers, with practically one voice, agree heartily with such findings. To varying extents, each of these charges is justified; the last few years have, in fact, provided many instances where companies have found, through bitter experience, that their relations with labor unions have been most unsatisfactory and costly.

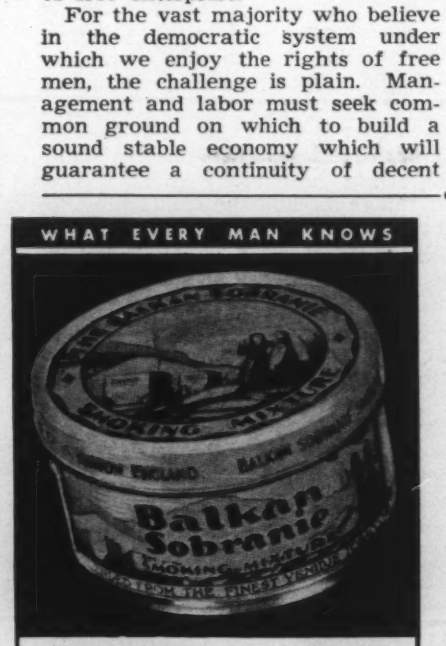
Indicative of such thinking is the four-point proposal of the B.C. Division of the Canadian Manufacturers' Association made recently to the Government—proposals which the C.M.A. felt would improve the legislative machinery for the settlement of industrial disputes. They offered the following recommendations:

1. Labor unions should be required by law to accept responsibility for their actions; to administer unions democratically; to distribute annual financial statements; to maintain funds in Canada which could be attached in the case of breaches of contract; and to abandon monopolistic practices. In other words, labor and management must stand equally responsible before the law.
2. When an industry makes a bona fide offer to labor in the course of negotiations, such offer should be referred to the rank and file of labor, and a secret vote taken under government-supervised auspices.
3. Strike votes should be prohibited in advance of negotiations, and when taken should be by government-supervised secret ballot in the plant.
4. Bargaining agents should only be elected by employees who have been in the employ of the current employer for at least six months.

While the Workers Educational Association, in their June 24 issue (1946) of *Labor News*, brands such proposals as "an attempt to destroy the gains in union organization which have been made by organized labor during the war years" and "a clear statement of the aims of private industry in Canada in opposing the legitimate wage demands of trade unions," the proposals would seem to be sound, fair and reasonable for both companies and unions. Bitter opposition by union leaders to such recommendations is understandable only if we bear in mind that union leaders do not always represent the true desires of their union members at large, or plant employees as a whole. If all union leaders were true leaders in every sense of the word and their unions were true models of democracy, then they would have nothing to fear from the implications of such proposals. Their continued opposition is significant.

Management is completely justified in its opposition to control by

WHAT EVERY MAN KNOWS



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unions of the hiring and firing of employees. Long considered a prerogative of employers (and since they foot the bill we can see no reason to take it away from them), the right of personnel control must continue to rest with management. This is not to say, however, that broad and full cooperation with a union on this matter is not desirable; it is. And herein lies the field of compromise that would appear to offer some possible basis for a solution. In return for the right to hire and fire personnel up to the rank of foreman, would it not be reasonable to expect from unions a guarantee of maximum production per man day assuming of course that other working conditions were satisfactory to both management and labor?

Union Demands

Most unions demand a union shop agreement which allows the employer to hire anyone he wishes, but all employees must become members of the union within a specified time after hiring, and must maintain their membership as a condition of employment. Maintenance of existing membership, and the check-off, admittedly are compromises on this demand for a full union shop. When both parties, however, accept such compromises *in good faith*, there is every indication that such settlements will be recognized by both parties for a reasonable length of time.

The whole problem of industrial peace is not incapable of solution. It will require, however, the broadening of the bases for mutual understanding and compromise. Good faith must replace mistrust; sane thinking, devoid of all emotional bias, can and must guide the councils of industry and unions. Mutual give and take will then divide the gains and losses more or less equally.

That the problem is not hopeless is evidenced by the number of times that solutions to labor-management problems have been forthcoming because of intelligent cooperation between both parties. For one example, we can look at the Cornwall plant of the Howard Smith Paper Mills. Here, labor and management are working together in common interest toward the most economic operation of the business and *unions are helping to reduce costs and increase output.* In return, improved working conditions and increased wages since 1940 prove that such cooperation does pay dividends. The secret of such success is best summed up in a short but significant comment from an officer of the local union. "We're treated like human beings."

It is worthy of note that in another very important industry, this new approach to labor-management problems has been successful. Recently the steel strike in Nova Scotia was settled by granting the union the increase they desired to wipe out the differential that kept Maritimers on a lower income level than men doing similar work in Ontario and Quebec. Both management and labor agreed to discuss their production problems in a new spirit of mutual respect and cooperation. Since then the resultant increase in production per man hour has been most outstanding.

Government's Role

There is one other factor to be borne in mind. The part to be played by government regulation and control of industry depends on the extent to which we, as individuals, believe in the benefits of free enterprise under a free democratic economy. Some industrialists believe they can work out their own industrial relations problems; others hope that the government will discover a formula for industrial peace. Presumably, the government could, in time, handle all labor problems, but the resultant interference in the administrative end of business would be more like that under a socialistic planned economy—a situation which would scarcely be palatable to leaders of industry. Hence both management and labor are watching with keen interest the developments in labor legislation in both Canada and the United States. Once again, compromise will likely provide a reasonably equitable solution.

No one will deny that higher, real wages, i.e. a higher standard of living for wage earners, is a desirable objective. *Labor leaders must bear in mind, however, that any improvement in the real income of the people they represent can only be attained by the most efficient operation of industry with consequent maximum production. Management, on the other hand, must be prepared to share profits with labor on a more extensive basis than ever before.* While wage increases are desirable, they cannot rise more rapidly than the rate of productivity. If they do, prices rise—real income drops. Rising prices impair the purchasing power of that large group of middle-class white-collar workers whose incomes are more or less fixed. Sales drop off. Hence labor would suffer because it had over-priced its services.

Abundant and efficient production is the key to a prosperous Canada. Labor must produce more if it is to be paid more. Management, in turn, must consider labor a participating partner and be completely honest in all matters concerning its business operations.

Prosperity Formula

Wages and profits depend on production; production depends on industrial peace. Peace will only come with the adoption of a new attitude of good faith and good will by both management and labor. Unless this mutual understanding of a common objective is forthcoming, the business outlook for the future will indeed be grim.

There is, fortunately, some evidence that a common understanding is not impossible. Both labor and management are beginning to realize that they are in the same rowboat together. Industrial leaders more and more are publicly approving collective bargaining and warning against repressive anti-labor legislation. For their part labor leaders have warned their local unions to go slow on strikes when seeking new contracts for 1947. Philip Murray, today a somewhat more sober-thinking individual than he was a year ago, said recently he hoped that labor and industry would "take time to do some real constructive collective bargaining."

What must be done is clear. Management and labor leaders should give more serious thought and study to the question of achieving cooperative attitudes. *Labor and management must also be united by the realization that the efficient, profitable operation of a plant is a question of common concern, on which the future security of both depends.* Reason must replace anger; mutual respect must replace hate. The conference table, as a sounding board for opinions which must be devoid of emotionalism, can become the symbol of a new era of industrial peace under the banner of free enterprise. From it will come a new appreciation of the human capacity for working together.

The eyes of America today are on this conference table, around which sit the leaders of industry and labor. On their shoulders lies the responsibility for the economic future of our continent. They cannot be allowed to fail.

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OTTAWA LETTER

Recent Events Inspire a Liberal Party Re-Appraisal of Policy

By WILFRID EGGLESTON

Ottawa.

POLITICAL events of the past fortnight or so have provided the raw material for a fresh appraisal of the party scene. On January 25, Woodsworth House was dedicated at Ottawa, and M. J. Coldwell, national leader, re-stated his party's position as against the older political bodies. The National Liberal Federation later held its annual conference at Ottawa. The opening of Parliament provided members with an opportunity of re-announcing their leanings and affiliations. Hon. C. G. "Chubby" Power published his plea for a critical re-examination of the Liberal faith. The Government announced March 31 as the date for the by-election in Cartier, and very carefully refrained from setting a date for filling the vacancy in Halifax. From these and sundry other developments it is possible to peer through the ideological mist and make out a few landmarks again.

A new wedge has been driven between the C.C.F. party and the Liberals, if we can take recent statements at their face value. A gap is thus being widened which not long ago seemed so narrow that it might, in the event of suitable developments, be bridged into a working coalition. The issue was, it appears, clarified by M. J. Coldwell at the opening of Woodsworth House.

"The only significant political division at the present time," he asserted, "is between all the capitalist forces on the one side and the C.C.F. on the other. . . . The people of Canada will be faced . . . . with a clear alternative between the present system of planlessness and exploitation by monopoly capitalism, and the new cooperative, democratic system being carefully and courageously built in Britain, Australia, New Zealand and many other democratic countries of the world."

"All talk of our party coalescing or collaborating with another party is utter nonsense," Mr. Coldwell asserted definitely a moment later.

If the C.C.F. is repudiating the Liberals, the latter in turn are disavowing socialism. The Minister of Agriculture is reported to have said that he "would rather see the country revert to Toryism than see it become socialized."

Return

This apparently reflects a fundamental re-appraisal of its philosophy now at work in the Liberal party. Goaded to some extent by "Chubby" Power's telling criticism, moved by Walter Tucker's energetic campaign against the C.C.F. in Saskatchewan, influenced, no doubt, by Premier Duplessis' successes in by-elections attributable to his delineation of the federal Liberal party as centralizers, bureaucrat-worshippers and socialists, the national Liberal party looks as though it has made up its mind to return to traditional Liberalism.

What would such a return mean in terms of policy? The repudiation or abandonment of all the "planning" and "purposive direction" which were inherent — if not explicitly outlined — in the White Paper of April, 1945, and the Proposals of August, 1945? Drastic retrenchment in Government spending, reduction of the tax load as rapidly as possible, concentrating upon measures which would encourage the investment of "risk capital," and the expansion of private enterprise? In short, a very substantial swing away from the trend of recent years? The signs certainly seem to be pointing that way.

Interesting Phenomena

If so, it is one of those interesting phenomena of democratic government. This change of heart stems not so much from any compunction on high or pure philosophical grounds, I fear, as from the intelligence, brought to Ottawa from the grassroots, the farflung homes of voters from coast to coast, that after six or seven years of controls, high taxes, bureaucratic intervention, forms and restrictions and shortages, the Canadian voting public would like a little less government and quite a bit more freedom. The Liberals never took to the state planning, the fiscal prodigality, and the minute regulation of war with any deep-seated enthusiasm, in any event. Back in 1919-21, they were the most vociferous critics and opponents of the lingering war mentality of the Union Government, and they won an election on the issue in December, 1921. Pontiac and Portage and Parkdale provided a strong incentive to get busy and yield to what they think is the growing sentiment of the Canadian people, before Mr. Bracken's followers succeed in jockeying them into the role of socialists, planners and bureaucratic centralists, and then cashing in on the postwar revulsion of the Canadian people.

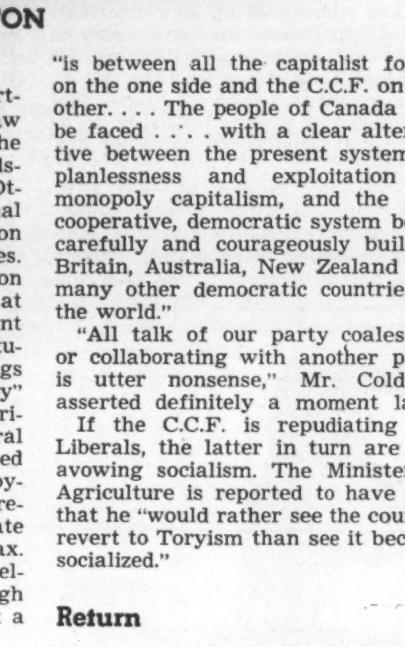
That some sort of realignment of political parties in Canada is probable has been forecast for many months. Not long ago it looked like a coalition between centre and left against the right. But if Messrs. Coldwell and Gardiner on their respective sides have effectively sealed off any coalition on that wing, will the centre and right coalesce against the left? That would suit Mr. Coldwell to a tee. It might not offend right-wing Liberals or such moderate Progressive-Conservatives as Mr. Bracken and J. M. Macdonnell. (A. L. Smith's radio address of January 8 suggested the same manoeuvre with a slight difference: "I think the Liberals of the Right should join with our party.")

No Concessions

However, the Liberals are in much better spirits again and are not inclined to believe that it is necessary for the Liberal party to make concessions to anyone. For one thing, their canny and resourceful leader has stopped talking about an early retirement. Their victory in Richelieu-Verchères restored the spirits of the faint-hearted, who had begun to despair after the debacle of the "Three P's". There are even rumors floating around Parliament Hill that Prime Minister Mackenzie King is watching the political climate closely, looking for a possible issue for a general election at any time.

One thing sure, the synthetic "build-up" of a tense parliamentary situation in the opening days, which pictured the possibility of the Government's immediate overthrow on Mr. Bracken's want-of-confidence motion, has been exposed already as a "phony". There is no immediate threat to the Government's position. The mathematics of party alignment may suggest a close vote, but no one who has talked to the members or examined the record can believe that the administration is in serious danger. I hear that the C.C.F. party is displaying no particular enthusiasm about supporting Mr. Bracken's straight want-of-confidence motion. But it doesn't really matter anyway if all the 28 C.C.F. members *do* vote with the 68 Progressive Conservatives and the 14 Social Credit members against the Government. The sum of these three is 110, while the government numbers 125. If all the Independents lined up with the Opposition, of course, it would be close enough. But they have already gone on record otherwise.

On February 6, Maxime Raymond, intellectual leader of the group of Independent Liberals, definitely announced that, (for a rather devious reason or rationalization) the group which he led would not support Mr. Bracken, nor, for that matter, the C.C.F. amendment either. And Mr. Ligouri Lacombe, one of the Independents (with no hyphen) said (translation): "In spite of all the failures of the Government, I cannot support the amendment and the sub-amendment now before the House". The only thing which could overthrow the government in the early future would be a major split within the Liberal party, and there is no sign of that.



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WASHINGTON LETTER

U.S. Issue on Tariffs to Be Major Influence on World Stability

By JAY MILLER

Washington.

EXPANDED trade is necessary to reconstruction throughout the world, yet old-line protectionist elements in the Republican-controlled Congress would like to scrap the Administration's reciprocal trade program.

Newspapers favorable to the Republican Party have cartooned the situation with a drawing showing "Old General Hi Tariff" heading toward Washington with a dollar-brandishing lobbyist and an Old Guard Republican Congressman. The G.O.P. leadership is concerned about this trend and has sought to head off efforts to destroy the tariff program sponsored originally by the late President Roosevelt and former State Secretary Hull.

The Administration's whole reciprocal trade program will be scrutinized by the House Ways and Means Committee at hearings to open February 24. Pending before that committee is a resolution to postpone any further trade agreements and another to postpone the Geneva international trade conference planned for April to set up an International Trade Organization.

The issue could split the Republican Party wide open. Already the G.O.P. has wandered from the solid phalanx of opposition to anything Democratic. There are various shades of opinion represented in debate on such issues as labor legislation, tax-cutting and reduction of Federal personnel. Intra-party differences on the trade question are among the most serious. An effort to avert a Republican division on the volatile tariff issue has been made by Senator Arthur H. Vandenberg, of Michigan, and Senate Finance Chairman Eugene D. Millikin, of Colorado.

Critics of the program have already moved to wrest the right to make trade agreements from the State Department. The Republican leadership is aware that a bad move by Congress now against the reciprocal trade program might black out presently bright prospects for the creation of the international trade group. Vote-conscious Republicans realize that such a move could tag their party with an isolationist label from which it might not be able to recover politically by the November, 1948, elections.

Five-Point Program

Vandenberg and Millikin proposed a five-point program which they hope will keep the party from tampering with tariffs. Their plan would limit U.S. tariff cutting under present laws. It is an alternative to drastic proposals to cut down agreement powers at this session of Congress.

Basis of effective cooperation between this country and other nations has been the reciprocal trade program under which representatives of other nations concerned work out mutual reductions of tariffs and removal of trade barriers and discriminations.

This distinctly American contribution to international relations has had the effect of opening and broadening international trade. Its proponents contend that any retreat from the program would be a retreat toward the isolation and nationalism which followed World War I and sowed the seeds of World War II. To drop or cripple the program is regarded as a first step toward an atomic World War III to end all wars.

Representatives Kearney of New York and Gavin of Pennsylvania, criticize the State Department for secret handling of trade agreements and the policy of giving other nations concessions without exacting reciprocal benefits for American interests. Representative Jenkins, Ohio Republican, would postpone any further adjustment in duties until Congress has had time to study the whole trade agreements program. Representative Bertrand W. Gearhart, California Republican, denounced not only the U.S. program but the forthcoming international trade conference. He is the author of a resolution asking President Truman to postpone the Geneva session. He would like Congress to investigate what he terms the State Department's "13 - year propaganda build-up" of the program.

Representative Kearney was more vehement in his criticism: "The so-called reciprocal trade agreements program is a legal monster that ultimately will destroy the American worker, farmer and business man. This Frankenstein piece of legislation was conceived in hysteria and nurtured behind closed doors of the State Department. "The agreements," Mr. Kearney says, "actually are give-away agreements. To call them reciprocal agreements is a misnomer."

Messrs. Vandenberg and Millikin ended days of conjecture when they announced details of their five-point plan. They offered "improvements" in tariff procedure which they hope President Truman and the State Department will adopt so thaf Congress can wait another year before acting on major changes. Present law permits the State Department to reduce tariffs up to 50 per cent.

State Department Opposition

Immediate legislation, of course, is the objective of Republican opponents. The State Department has up to now opposed any major legislative changes, which have ranged from an independent board of review to actual Congressional ratification of trade agreements.

The Vandenberg - Millikin compromise included: 1. withdrawal of tariff reductions and concessions to other nations not now giving this country similar benefits: 2. a stronger U.S. Tariff Commission with powers to review all contemplated cuts and make direct recommendations to the President; 3. inclusion of an escape clause in every trade agreement which would let the U.S. withdraw tariff reductions if they perilled domestic interests; 4. public hearings by the Tariff Commission on invoking escape clauses; 5. commission recommendations on escape clauses to be open for public inspection.

Tariffs were not an issue in last November's Congressional election, but President Truman has been aroused to the dangers of the situation. He says bipartisan cooperation on foreign policy must include "economic reconstruction and development and the expansion of world trade and employment" along with political cooperation.

The American people appear to favor international cooperation. The lesson of the cooperative victory over the dictatorships is remembered. They are aware, too, that international cooperation will be lacking unless there is a physical organization to promote such cooperation, like that embodied in the United Nations. The Administration hopes to have the international trade and employment organization set up at Geneva in April.

"If this thing falls through," declared an authority on international trade, "they will have to build another Washington to house the bureaucracy they will need to function internationally. Unless we match our imports with our exports, all the money we have loaned abroad will have been lost and the reconstruction of Europe and Asia will be delayed perhaps for a generation."

Eric Johnston, former head of the U.S. Chamber of Commerce and now president of the Motion Picture Association, told a State Department committee on reciprocity information that "an expanding world trade with a minimum of governmental interference is essential to our system of competitive capitalism. We must recognize that freer trade is endangered by the trend toward a socialist state."

The Administration contends that "the fundamental choice is whether countries will struggle against each other for wealth and power, or work together for security and mutual advantage."

A suggested charter for an International Trade Organization of the U.N., outlines the purpose "in general, to promote national and international action for the expansion of the production, exchange and consumption of goods, for the reduction of tariffs and other trade barriers, and for the elimination of all forms of discriminatory treatment in international commerce; thus contributing to an expanding world economy, to the establishment and maintenance in all countries of high levels of employment and real income, and to the creation of economic conditions conducive to the maintenance of world peace."

Here is a fact which indicates the precarious position of the world trade movement here in the U.S. Only one man, albeit one of the best information specialists in Federal service, handles all U.S. international trade information for the entire world. In addition, there apparently exists no comprehensive documentary motion picture covering the problem.

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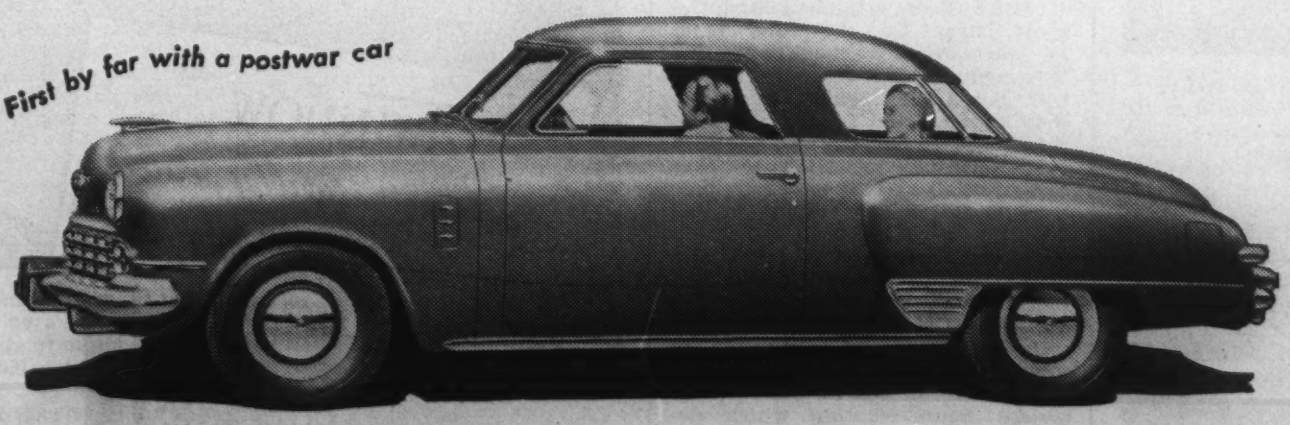

THE LIGHTER SIDE

Politics and Figure Skating

By MARY LOWREY ROSS

"THE ESSENCE of Liberalism," Prime Minister Mackenzie King pointed out in a recent speech, "is the preservation of the freedom of the individual to develop his capacities and his powers in the most effective manner possible."

Mr. King then illustrated his point with the case of Miss Barbara Ann Scott, Canadian winner of the European figure skating contest. "Do you suppose she would have attained the position she holds today had she been developing her art under some system of regimentation?" Mr. King asked. "Would she have shown the capacity she has for initiative and self-reliance, the capacity to exercise her own free will in the way that brought her to the top of the contest?"

This is a very interesting point and worth investigating. In claiming that the winner of the European figure skating contest developed her initiative and self-reliance under a Liberal administration, Mr. King overlooks the fact that Barbara Ann Scott is a native of Ontario. Is Premier Drew prepared to accept the Federal adoption of Miss Scott? Or will he fight it out on the ground that Prime Minister King has arbitrarily set aside provincial claims and that no further statements should be made until a conference had been held at Ottawa to determine just how the credits for Miss Scott's achievement should be apportioned between the Federal Government and the Progressive Conservative Government of Ontario? This is no more than fair, for in these competitive days no advantage can be overlooked. Barbara Ann Scott might not do either party as much good as a successful by-election, but on the other hand she's a lot prettier to watch.

At any rate Mr. King makes one point clear in his speech. Miss Scott would never have got anywhere under a C.C.F. or Socialist administration. Anyone who has ever watched an open air skating rink can realize what the Premier probably had in mind. On the outside of the rink there are the ordinary skaters who are content just to go round and round in circles to the music of the band, while in the centre the figure skaters employ their own initiative in swoops and glides and sitting pirouettes, or in joyous competition with each other.

Under a regimented order all this would be changed. A Socialist government would either (a) forbid figure-skating on the ground that the figure skaters occupied the centre of the rink and tended to take over a private monopoly of public attention; or (b) nationalize figure-skating so that everybody, including the very old and the people who skate on their ankles, would be compelled to go out and practice one-foot axles and double salchows under the supervision of some bureaucrat on skates. This is a prospect which should make almost anyone do some serious political thinking, particularly the group who feel they get all the figure-skating enjoyment they need just by sitting in a loge chair, watching Sonja Henie dart and swoop across the screen on her lovely little legs.

HOWEVER, let us, as Mr. King urges, apply this thought to today's world. Or if that demands too large a vision, let's apply it to Miss Sonja Henie. Miss Henie comes from Norway, and while Norway is a constitutional monarchy it has shown a strong tendency, like most Scandinavian countries, to work along social-democratic lines. In fact, it actually had a Labor government back in the late twenties when Sonja was presumably busy developing her art. This particular government didn't last long to be sure. It was soon replaced by a Liberal government; the country went back on the gold standard; and Crown Prince Olaf was married to Princess Martha of Sweden, "the ceremony being performed amid scenes of the greatest public enthusiasm." Probably this early brush with socialism did Miss Henie's figure-skating no great harm. On the other hand we can't overlook the Cooperative Movement which developed along with Sonja, and which, as everybody knows, is no friend to private enterprise.

The question then, is, did these early socialistic influences cripple Miss Henie to any extent in the development of her art? And would Mr. King argue that if Sonja had grown up in Ottawa under the Liberal Administration, instead of in her native Oslo, she might have had a better chance of amounting to something?

There are, of course, other sports besides figure skating which demand intensive practice and a high degree of private enterprise. For instance there is racquets.

Racquets is a very tough game indeed. In fact the ball travels round so fast that experts judge its speed not only by the eye but by the "bock" sound it makes when it hits the walls of the court. Clearly anyone who plays this game on an international scale has to have plenty of initiative, self-reliance and freedom to develop without regimentation. Yet when the British team, representing a Socialist government, recently played the U.S. team, the British players won five to two, which heartened their government no end. It is possible, of course, to point out that the Attlee Government hasn't actually been in power long enough to sap the initiative of the racquet-playing classes, and that it may be a very different story by the time the U.S. team gets round to playing the return match.

But if the British Labor Government should collapse in the interval and a coalition government take over, almost anything might happen. As you can see, this is the difficulty about this type of argument. It can't be made to prove anything, except perhaps that specialists should stick to their own fields—figure-skaters to skating, racquet players to racquets, and prime ministers to politics.

However, it doesn't do to overlook the fact that there are other fields besides the realm of sports in which young Canadians have recently been showing sensational initiative. For instance, there is Miss Olga Nyzowa who recently took her former fiancé, John Czechowski, to court and collected $2850, in a resoundingly publicized breach of promise suit.

Both in and out of court, Miss Nyzowa showed remarkable capacity for initiative and self-reliance, along with the power to exercise her free will in a way that brought her to the top in the contest. The question is, then, does Miss Nyzowa's achievement in the courts represent a corresponding triumph for the Liberal Party.

Then there was Franklyn Edward Hanratty, president of the Veterans' Housing League. Young Mr. Hanratty not only demonstrated his ability to move freely in a free society. He moved, along with him, fifty-eight veterans and their families and set them up in Government-owned buildings at Ottawa, exhibiting throughout the highest initiative, self-reliance, and ability to exercise his own free will. In spite of all this, no speaker in the Liberal party has pointed to young Mr. Hanratty as an example of Liberalism in action. In this case, however, there seems to be a number of sensible reasons for the omission, the chief one being that you can't lay claim to both Mr. Hanratty *and* a housing scheme, or even mention the two in the same speech.

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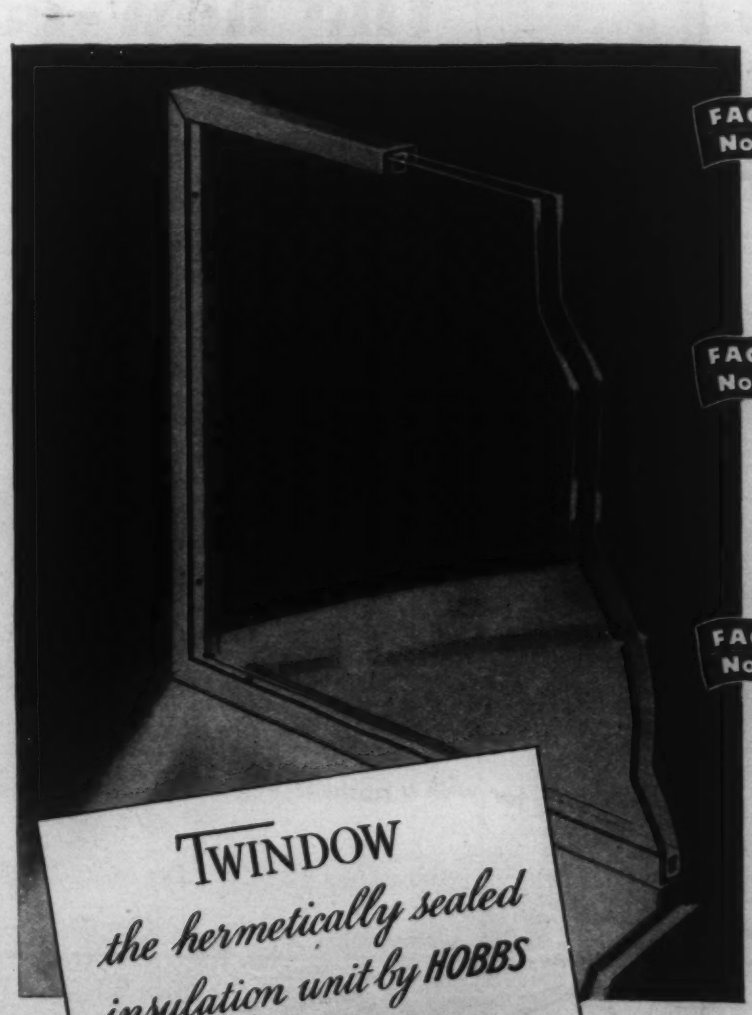

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FROM THE EDITOR'S CHAIR

A Help to the Study of the Dominion-Provincial Impasse

By B. K. SANDWELL

READERS of this journal are aware that Mr. Wilfrid Eggleston, our Ottawa correspondent, is far from being what may be termed a "high provincialist." In his volume "The Road to Nationhood" (Oxford University Press, $2.50) he devotes the first 96 pages to an account of the Confederation Debates, the views on Dominion-provincial relations, which may be supposed to have been held by the Fathers, the test of the B.N.A. Act, and the tremendous increase in the weight of the fiscal responsibilities laid by that Act upon the provinces which took place after 1905. This part of his book is extensively critical; he opposes the contract theory of Confederation, explains the frequent use of the term "compact" as meaning no more than the conditions which were necessary to make Confederation acceptable to the various entering parties, and makes a valuable point about the injustice incurred by Nova Scotia as a result of the absence of her Provincial Treasurer from the 1866 negotiations.

The remaining 240 pages are a condensed account of the Rowell-Sirois Commission (its sittings as well as its recommendations), the Conference of 1941, and the Conference of 1945-6. Since there is no other handy account of these proceedings, since the preliminary 96 pages are highly relevant to them, and since the whole problem is still pressing for settlement, the book can hardly fail to be useful to a very wide group of interested Canadians.

Little Commenting

In his report of the happenings of 1939 and since, Mr. Eggleston does very little commenting indeed. This will not save him from the charge of partiality, in the matter of selecting from the utterances of the participants; but it is not his fault that there was less urbanity in the words of Messrs. Aberhart, Hepburn, Drew and Duplessis than in those of Mr. King and Mr. Ilsley. Lack of comment extends in some respects to lack of needed informative detail; a foreigner would find it difficult to account for the switch-over to "full employment" as the keynote of the Dominion case between 1941 and 1945, and for the intensification of the fear of centralization on the part of the provinces in the same period. Actually both changes resulted from the experiences of the last four years of war, in which employment was universal and the provincial politicians bitterly resented the decline in their power while that of the Dominion was expanding vastly.

Mr. Eggleston does not even mention the theory, widely held but of course quite unprovable, that the Dominion was not anxious for the '45 Conference to succeed, because it believed that its commitments for social security were excessive and was glad of an excuse to abandon some of them. Nor does he allude to the allegation that the Dominion expected the provinces, or some of them at least, to resort to a poll tax, under the guise of a registration fee, of $5 or more per capita. That such a suggestion—a very unwise one—was made at some stage seems authenticated, but it proves no more than that its makers thought that some of the provinces might be very hard up for revenue sources.

Drew's Objective

Nor does Mr. Eggleston bring out as clearly as he might the fact that the professed objective of Mr. Drew's government, throughout the 1946 sessions, was to obtain a pledge from the Dominion that the Coordinating Committee of the Conference should proceed immediately (after the ratification of the agreement) "to conduct a thorough examination of the whole Canadian tax structure for the purpose of establishing a new and revised system of taxation which will leave clearly defined and clearly divided taxing powers to the Dominion and provincial governments," and that failing the establishment of such a system before the expiry of the new agreement the Dominion would so reduce its corporation and personal income taxes as to allow the provinces to re-enter those fields. Moreover the new system must be such as to leave no need for subsidies. "The whole system of subsidies is wrong and should be brought to an end just as soon as a complete and exhaustive analysis of our tax structure can be carried out."

The expression "clearly divided taxing powers" obviously means that the provinces are to be provided with certain fields of taxation from which the Dominion (which can now enter all fields) is to be barred—a change which requires a constitutional amendment. The abolition of subsidies—another constitutional amendment—means that no province, not even the neediest, would have any source of revenue except what it could raise within its own boundaries. The less wealthy provinces, and especially those most heavily burdened by Dominion taxes such as the tariff, could not be expected to accept these propositions, and protested strongly against them, and the demand upon the Dominion contained in the first one was an extraordinary demand to attach to a proposed agreement for a few years' "rental" of the province's taxing power on income and corporations. Mr. Drew objected to these propositions being called a *sine qua non*, but the first one is introduced by the words: "it (the Ontario government) will enter such an agreement subject to the following conditions," and is accompanied by the special remark: "I may say I attach particular importance to this." The second is obviously closely tied in with the first.

It is possible that Mr. Drew did not intend these propositions to be taken quite as seriously as their language suggests, though he repeatedly said that he could make no concessions in the principles which he had enunciated. At the close of the Conference he asked the Dominion to "call us together to consider a transitional tax agreement which will deal only with the transitional tax problem and leave us free to consider as separate problems" certain other matters on which statistics were lacking. This sounds like a startling change of front, but if it was it came too late; Mr. Duplessis, perhaps fearing that something might actually be going to happen, was already walking out.

Major Election Issue

The whole story is of the greatest interest, because the question who was responsible for the failure to reach a collective agreement will be agitated as a major issue in the next general election. Mr. Eggleston closes with the Dominion's general offer to the provinces individually, made on June 27 last. This offer is supposed to have been modified by special arrangements with each of the accepting provinces, but Mr. Eggleston does not recite those special arrangements and indeed some of them are not yet completely known. The social security and full employment program is of course largely suspended, because it cannot be less than nation-wide.

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1947 CATALOG

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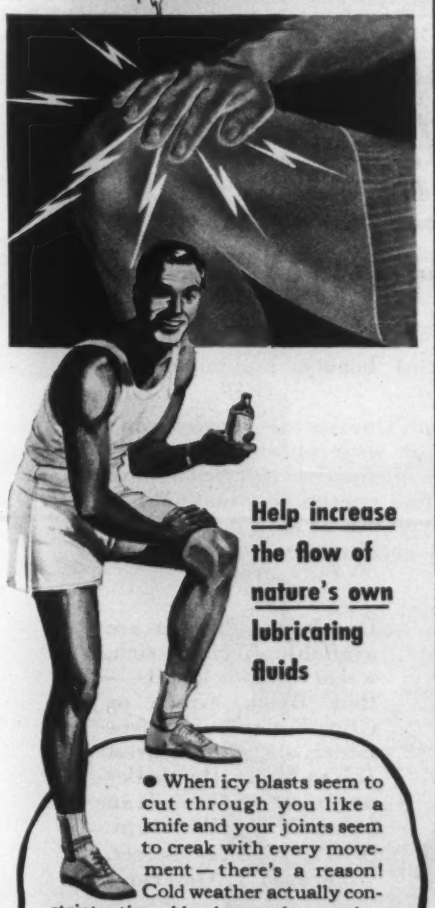

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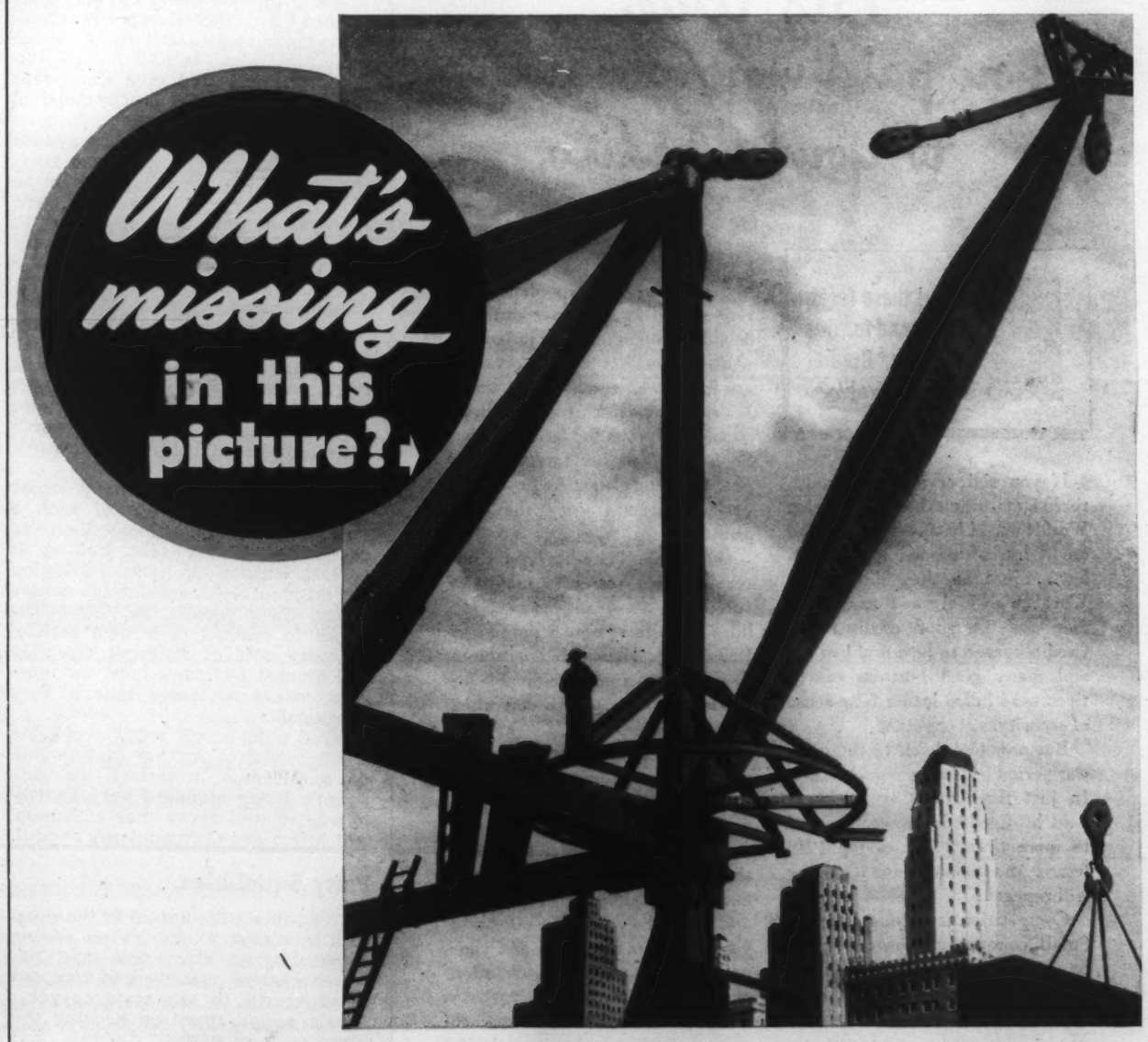

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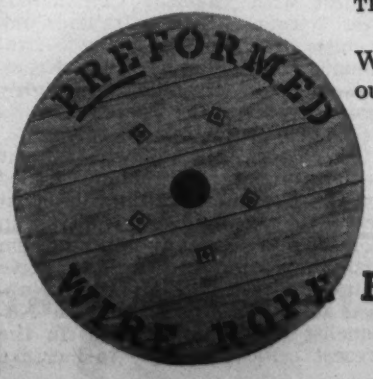

HANDLES EASIER - LASTS LONGER

THE WORLD TODAY

Approach to the German Treaty Needs Scrutiny of Soviet Aims

By WILLSON WOODSIDE

WE—that is, the Western Allies—fought the war to prevent a ruthless dictatorship from dominating the whole of Europe, because we judged that that wouldn't be safe for us, whatever lulling assurances the dictator was ready to give us for the moment. We would need our heads read if we accepted a peace settlement which had the effect of handing over control of Europe to another such dictatorship.

Already we have seen Soviet Russia take over the conquests of Nazi Germany throughout Eastern and Central Europe and the Balkans. She has set up Quisling governments of her own nominees led by Moscow-trained Comintern agents such as Tito, Bierut and Dmitrov, established police control, raised satellite armies, carried out fresh deportations, and tied their economy to hers.

The result is that with her political borders on the Oder and the Adriatic and straining towards the Aegean, with her occupation armies within 90 miles of the Rhine, and all of Europe's Slav peoples embraced under her leadership, Russia already makes an all-European settlement impossible.

Although for many years past every European statesman worthy of the name has proclaimed that the continent must end its internecine strife by finding some basis of unity, the Soviets, immediately upon their belated entrance into the war, set about smashing the incipient Polish-Czechoslovak plan for confederation, and the wider plan urged by Jan Masaryk and others for Danubian federation.

Even at the height of our wartime collaboration, while receiving from us the immense supplies which gave her the margin of victory, she refused to join in the European Coal Board and the European Inland Transport Organization, which were conceived vital to the continent's relief and recovery.

I witnessed at Lake Success recently her efforts to block acceptance of the report of the European Reconstruction Council, one of the finest post-war efforts, which sought to deal with Europe as an economic unit. Her press and public speakers have fulminated endlessly against even the economic association of the fringe countries of Western Europe, as constituting a "Western bloc," although Soviet Russia has herself formed a tight Eastern bloc with binding military treaties as well as exclusive economic arrangements.

First Hate

But her bitterest spleen has been vented against the proposal, now urged by Churchill but by no means a new idea and supported before the war by Attlee, Herriot, Briand, Madariaga and many others of the highest-minded European leaders, for a United States of Europe.

The conclusion is clear beyond all question: Russia does not want an independent, united Europe, though that is all too obviously the only good solution for the Europeans themselves, the only settlement which could pull some benefit out of this disastrous war and give Europeans the heart to rebuild in the hope of creating something better.

Why? Can her own propaganda possibly be accepted, that she fears that such a united Europe would be aimed against her? Had she come into Eastern and Central Europe as a genuine liberator, she would have had every opportunity to create a truly friendly feeling towards her in these countries.

Then, within a European Union, as well as the friendly nations which she might have ensured in the East there would be a number of socialist states, including Britain and France where the warmest feelings towards Russia prevailed in general towards the end of the war.

With a federalized Germany denied any possible leadership of such a union, there would have been no chance of anyone else leading it against Russia. In fact, developing any kind of coherent foreign policy among these peoples, so long accustomed to conduct their own policies in every sort of different direction and divided by many local antagonisms, would obviously take a very long time.

What unity—and "unity" would be a relative term in this case—would do for Europe is restore the continent's living standard very shortly to a level well above that of Russia, and hence end Communism's appeal.

Party Squabbles

To maintain the appeal of the drastic Communist solution, even among a minority of Europeans—and nowhere near a majority has accepted it voluntarily in any state as yet—Russia seems intent on keeping the European countries divided and floundering in difficulties. Even within her own sphere, she finds it expeditious to urge Polish and Czech Communists to quarrel with each other over Teschen and Glatz, and German and Polish Communists over Silesia and the trans-Oder territory.

French Communists contest with German over separation of the Ruhr, and Italian Communists in Rome contest with Yugoslav Communists over Trieste — though Italian Communists in Trieste itself play a fifth-column role in favor of the Kremlin's real plan for adding that highly strategic port to the Russo-Communist Empire of Eastern Europe.

I have seen copies of what appear to be authentic instructions issued by the Comintern during the past year to Communist leaders in Poland and Germany telling them that they cannot afford to leave patriotic issues, with their broad appeal to the populace, for the Nationalist parties to exploit. In the present critical struggle to increase their following—as, for example, in France—the Communist parties are to appear as patriotic as any.

It is my argument that Russia is not pursuing this policy of dominating as much as possible of Europe and keeping the rest divided and weak, out of sheer concern for her own security. *Actually the outcome of this war has given her the greatest security she has ever had.*

Her two great enemies, Germany and Japan, who for 50 years have kept her glancing this way and then that way, forcing her to temporize first with one and then the other, have been defeated utterly and will be impotent to threaten her for as long as one can foresee.

To consolidate her security Russia only had to join with us in holding Germany in check by decentralizing her in pre-Bismarck fashion, watching over her under a 50-year treaty, and helping to build a counterpoise to her in a federated Danubian state. In such a Danubian state Russia would have been assured of strong place for her Slav friends—had she treated them in a friendly way.

In the Far East she would have joined in strengthening a demonstrably peaceful China as a counterpoise to a possible Japanese revival. If it were really security which Russia sought, what other policy would have given her so much? Did we not prove in conference after conference of the Big Three how far we were ready to go in real coopera-

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If you sell or ship on credit, these facts are vital to you. During World War II business failures and credit losses dropped to a record low . . . just as they did during World War I. Almost any customer was "A good credit risk." Credits ceased to be a problem . . . and many good business executives were lulled into a false sense of security.

But now look back to the post-war period following World War I. In just three years credit losses paid by Credit Insurance jumped to more than 20 times the 1919 figure. And no one knows if history will repeat!

Competition is getting tougher. Small companies grown stronger on war earnings are challenging former leaders. New products threaten long-established lines. Many companies undoubtedly over-extended themselves during the war years. Strikes and other production delays are eating up working capital. Many firms will have trouble . . . and some of these firms may be your customers.

You know that a large percentage of your working capital is represented by your accounts receivable. Sound business judgment will tell you that your receivables are important assets at all times . . . subject to risk at all times . . . should be protected at all times. So isn't it sensible to take steps now to protect your credits in the period of uncertainty that lies ahead?

Our book, "Credit Loss Control," shows you why manufacturers and wholesalers in over 130 lines of business now carry Credit Insurance . . . which guarantees payment of accounts receivable for goods shipped . . . pays you when your customers can't.

This timely book presents actual cases to show some of the many things that can happen to destroy a customer's ability to pay during the 30-60-90 days after goods are shipped. It charts the rise of business failures after World War I . . . and shows how you can safeguard your accounts receivable and your profits despite inflation, deflation or readjustment.

If ever there was a time when you needed the facts in this book, it is now. Without obligation, write today for a copy of "Credit Loss Control" to American Credit Indemnity Company of New York, Dept. 53, Toronto, Montreal, Sherbrooke, or First National Bank Bldg., Baltimore 2, Md.

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tion, in giving her economic aid in reconstruction, in developing broader world trade and setting up a world security organization?

Had Russia limited herself to rounding out her own ethnic frontier, and allowed Poland, Hungary, Rumania, Bulgaria and Yugoslavia the independence which she guaranteed them in the Moscow and Yalta declarations, there would be no need to look for any scheme of hers to dominate Europe. We could look instead to a constructive peace which would embrace the whole of Europe.

Naked Expansion

Instead the Russian leaders have chosen a course of naked expansion. They have already robbed 11 countries in Eastern Europe and the Balkans of their independence, have pressed towards control of the Adriatic at Trieste and in Albania, and control of the Aegean at Salonika, have demanded the Dardanelles and sought to annex Northern Iran. In the Far East they are supporting their Chinese Communist agents in carrying out a partition of China, including three-quarters of Manchuria.

It would be extremely naive to think that, having embarked on such a policy Moscow is not intent on gaining control of all of Germany. For Germany is the heart of Europe. Once controlling Germany, all of the countries beyond her to the East and South-East would be cut off finally from Western contacts and left securely under Soviet domination. To the West and South, Soviet pressure on the Low Countries, France and Italy would become irresistible. The possibilities in divided and weakened France are obvious enough, and beyond France lies a most uncertain Spain.

Nor is this ambition to control Germany, which our negotiators must checkmate in the coming discussions in Moscow, any midsummer madness contracted from the victory fever of 1945 or '46. Germany was always the country on which Lenin and other early Bolshevik leaders fixed their hopes for the communizing of Europe. The uniting of the technical resources of Germany with the vast undeveloped power of Russia has been a persistent dream ever since.

Krivitsky, in recounting his work in the Soviet Military Intelligence network in Western Europe through the period 1920-37 (*I Was Stalin's Agent*) tells in detail of the German Communist uprisings financed and directed from Moscow in 1921 and '23. Then followed the period of military collaboration under the Rappallo Treaty, during which the Soviets permitted the Germans to build aviation factories in Russia, to escape our disarmament control, and made great use of German engineers.

After the Nazi Revolution in 1933 Stalin said to Emil Ludwig, in their series of talks: "If we sympathize with any people, as a nation, or with the majority of the nation, it is the Germans. The friendly feelings we have for America cannot be compared with our feelings for the Germans." And in 1939, in one of the most fateful moves he ever made Stalin chose a pact with the Germans rather than one with us, perhaps because through it *he gained a common frontier with Germany.* Kravchenko says that in early 1941 Molotov was still seeking an outright alliance with Germany.

When the Germans turned on Stalin, he declared in the famous speech of November 7, 1942: "We do not wish to destroy the German State, but only the Hitlerite State. We do not wish to destroy all German armed forces, but only the Hitlerite forces." The following year he formed the Free Germany Committee, a political instrument which duly took over the high administrative posts in the Soviet Zone of Germany; and the League of German Officers, made up of men of the "eastern" school which had always existed in the Reichswehr, and which may yet be heard from again.

Whisperings

When Lippmann was in Berlin last spring he found the German Communists whispering that if Germany would only vote Communist, Russia would partition Poland with her again, giving her back all of her lost eastern territories, and more.

In the actual administration of her zone of Germany the procedure has been almost identical with that in puppet Poland, Yugoslavia, Rumania and Bulgaria. There has been the usual forced merger of the Socialists with the Communists, with the latter holding the controlling positions, and the occupation force supporting them in rigging the "elections."

There were many in Berlin last summer who were convinced that the Soviets would never let go of Eastern Germany, but eventually make it a Soviet republic. If this was ever intended as an interim measure in winning all of Germany, the merger of the British and American zones shortly afterwards seems to have been interpreted by them as a warning that we might in that case form a separate state in Western Germany. Since the New Year, the Soviet press and commentators have come out full-blast for a unified Germany.

Exhibition of Disunity

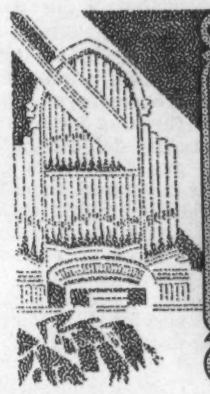
The quarrel between the Russians and Americans in Berlin last week, carried for the first time into the German press in a deplorable exhibition of disunity among the victors, nevertheless threw a timely spotlight on what may be one of the chief Russian hopes of gaining eventual control of such a unified Germany. It was over the election of the central trade union council, and the American spokesman charged, significantly, that the Soviets wanted to force a hand-picked executive on the workers, while the Americans wanted genuine elections.

Penetration of trade union executives is a leading Soviet policy all over the world today, in Canada and the United States as elsewhere. The Soviets can look just beyond Germany to France, where the biggest Communist ace is control of the Central trade union organization.

All such Communist-controlled trade union organizations, including those in the Soviet bloc, have been united since the war in the World Trade Union Federation, along with the British trade unions and the American C.I.O. The A.F. of L. recently exposed a Soviet maneuver to have the German trade unions affiliated with this body.

If it is true that Russia aims at dominating the whole of Germany, what sort of a peace settlement would she pursue? Would she not want a centralized state, with a government nominated initially by the great powers and thus including a full share of her direct nominees, sitting in Berlin in the midst of the Soviet Zone where it would be under Soviet pressure?

This is exactly the settlement urged by the Soviet Government. Forewarned should be forearmed.



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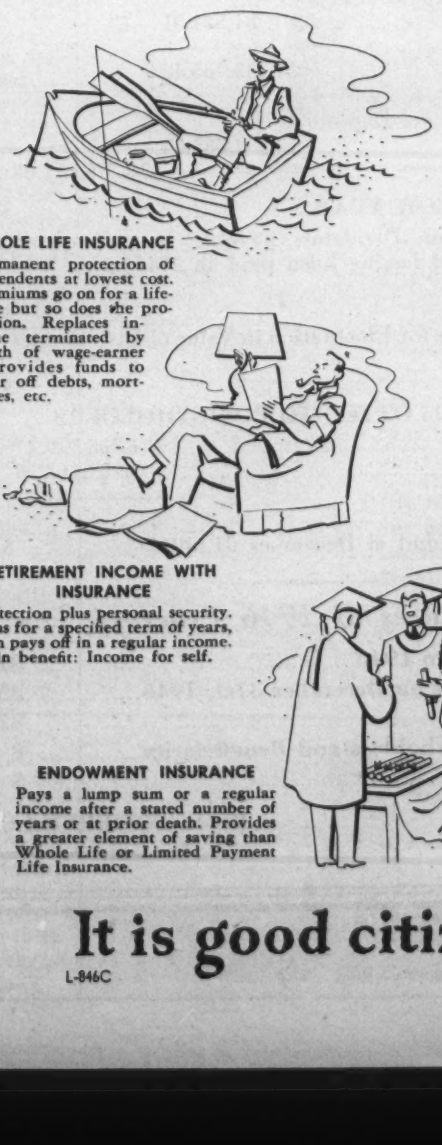

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L-846C

THE SCIENCE FRONT

Science Says Idle Brains Start Digging a Grave for Body

By JOHN J. O'NEILL

WE get old when the brain starts degenerating and we die when essential structures in the brain deteriorate. This is the conclusion reached by scientists who have been carrying on research for many years at the Institute for Brain Research at Neustadt, Germany.

Most of us die before the time for biological death has arrived and this happens because of diseased conditions that affect particular regions of the brain. When conditions for biological death set in, they arrive first, not in our thinking, or physical-activity brain, but in the linkages with the lower parts of the brain that control the vastly complicated life processes such as digestion, heart action, body growth and repair.

The life cycle of the body runs a parallel course to the life cycle of the brain and the brain thus sets the limits for the body, according to Dr. Oskar Vogt and Cecile Vogt, of the Institute for Brain Research, who present a summary of their conclusions in a brief communication to "Nature."

There is not a single type of brain cell but hundreds of types, each being associated with a particular kind of brain activity and each being found only in its individual area of the brain. Every part of the body has its related part in the brain and the brain appears to supply a pattern of cooperation so that the individual parts are organized into a marvelously-functioning unit.

All of the cells of the brain do not age at the same rate, according to the Vogts. The ones that first show the ageing process are in the parts that might be likened to connective tissues in the lower parts of the brain and appear as bulbs on the medulla oblongata and link it with portions of the base of the cerebral hemispheres. The most long-lived cells are those in the medulla oblongata.

The medulla oblongata is an elongated pear-shaped body through which the spinal cord thickens and broadens out into the back of the base of the brain. It is probably the most important part of the brain as far as the task of staying alive is concerned, for it contains the nerve mechanisms that control such processes as breathing and the circulation of the blood.

Brain and nerve cells, unlike other kinds of cells in the body, do not reproduce themselves. The total number of cells is developed by the time we are three years old. If any of these cells are destroyed, we get along without them as best we can, usually with bodily defects that fail to respond to any treatments. If a whole group is destroyed, some function of the body is stopped or some organ shrinks and becomes inactive. If this organ or function is essential to life, death results.

It is a common observation that when a nerve serving a part of the body is cut, or destroyed, use of that part is lost and the muscles, or tissues, shrink. This is what happens in poliomyelitis.

The brain seems very remote from control, and if it is going to be the dictator of bodily welfare, this throws a serious complication into the health and longevity problem for those who think it is necessary to watch only calories, vitamins and hormones.

Hope for control of the brain is offered by the Vogts. They find the brain cells thrive on activity. If the cells do not receive stimulus from their nerve extensions, they go through a premature ageing process. In the brain practically all cells are cross-linked in a very complicated web of intercommunication. Almost any stimulus starts a chain reaction. This seems to serve as exercise for the brain cells, and, if they don't get their exercise, they close down their machinery.

Immortality

The normal type of cells that divide to reproduce themselves achieve potential immortality. The brain and nerve cells give up the reproductive process when the individual (among humans) is three years old.

By giving up the reproductive process, the brain cells were enabled to become specialists to develop abilities of a higher order than any of the cells which reproduced their kind and which make up the rest of the body. Theoretically, every cell should be immortal if it receives a suitable environment and proper nourishment.

The brain cells are dependent for their environment and nourishment on the billions of cells which compose the rest of the body and carry out the brain's orders. Apparently there is a break somewhere in the circuit: either the cells of the body do not carry out the orders of the brain cells as well as they should, or the brain cells do not measure up to the task of properly directing the body cells.

If the latter is the case, we face a very hard task in learning how to educate the unconscious portions of our brains which comprise by far the larger portion of that organ.

Perhaps our unconscious brain and our body as a whole are the victims of our conscious brain of which we are so proud but which would not know how to keep the body alive for 10 seconds if dependent upon the knowledge it gains through the educational processes we inflict on it. There may be a deeper and more fundamental type of knowledge which cannot be linked to words and symbols and which, if we could achieve it, would make it possible for us to provide our brain cells with a suitable environment in which they could achieve immortality and likewise the cells throughout our bodies.

In the meantime, the Vogts have observed that excessive activity on the part of brain cells causes them to exhibit hypertrophy, or overgrowth, and when this takes place the ageing process is delayed. They suggest that "in the breeding of particularly-active individuals lies a possibility of gradually delaying the time of normal cerebral death."

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77th ANNUAL STATEMENT

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(Including Group Accident and Sickness Branch)

Revenue Basis

Year ended December 31, 1946

Unassigned Contingency Fund at December 31, 1945		$11,583,158.72
INCOME		
Premiums for Assurances	$22,957,137.75	
Consideration for Annuities	2,663,337.56	
Interest, Dividends and Rents (after provision for possible future losses)	10,536,262.68	
Consideration for Settlement Annuities arising out of assurance policies	1,013,827.42	
Policy Proceeds, Dividends and Other Amounts left with the Company	6,663,511.95	
Net Profit on Sale of Ledger Assets, and Foreign Exchange (after applying $2,502,804.04 to reduce book value of securities to stabilize future interest yields)	382,999.94	
		$44,217,077.30
EXPENDITURES		
Death and Disability Claims	$ 6,254,936.15	
Matured Endowments and Surrender Values	5,001,589.71	
Annuity Payments	372,547.67	
Policy Proceeds, Dividends on Deposit and Other Amounts Withdrawn	4,200,340.37	
General Expenses, covering the cost of Head Office and Branch Office administration, Commissions, Taxes and other expenses	5,422,830.21	
Net Amount by which Ledger Assets were written down	81,521.31	
	$21,333,765.42	
Increase in Policy and Staff Pension Reserves and Amounts on Deposit with the Company	17,382,885.66	
		$38,716,651.08
SURPLUS EARNINGS FOR YEAR		$ 5,500,426.22
Decrease in Provision for Dividends payable in subsequent year (a special dividend having been paid in 1946)		1,100,000.00
		$18,183,584.94
Increase in Specific Reserve for Fluctuation in Value of Investments		500,000.00
		$17,683,584.94
DIVIDENDS PAID OR ALLOTTED TO POLICYHOLDERS		
Special	$ 1,358,599.47	
Regular	3,909,511.76	
		5,268,111.23
Unassigned Contingency Fund at December 31, 1946		$12,415,473.71

Features of 1946 Progress

New Assurances Paid for in 1946	$104,946,910
Total Assurances in Force on December 31st, 1946	$855,165,736
Total Assets	$286,792,678
Total Payments to Policyholders and Beneficiaries	$ 16,897,185
Surplus Earned in 1946	$ 5,500,426

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Root of Civilization Is Justice, Freedom

By J. E. MIDDLETON

Is there a civilized community in the world today? Mr. Middleton argues that civilization is a personal, individualistic quality not to be destroyed by atom bombs or any other violence while men remain alive. He questions the vague notions that it may be Art, or Learning, or Commerce or any other outflowering of our way of life and finds barbarities enough beneath the gorgeous palaces.

"IT WOULD mark the end of civilization." So growl the prophets in their beards, if any; if not, to their safety razors. They're thinking of the atom bomb being used in warfare. It's no happy prospect; everyone is agreed about that. Proud cities by scores would disappear — "the cloud-capped tow'rs" etc., etc. would "leave not a wrack behind." In short, if it means cities, civilization surely would be ended.

But I wonder if urbanization and civilization are synonymous. No doubt the ancients thought so. In old times a "civis" was a man who lived in town. Being exposed to whatever advantages there were, and having learned to wriggle smoothly among other people, whether he liked them or not, he became "polite" — another way of saying that he was a city-man, or, more accurately, a city slicker. Is civilization the shiny veneer covering the naturally uneven surface of humanity? If so, certainly the bomb would melt it.

Some suggest that civilization is bound up in Art; the Greeks were civilized because sculpture, architecture and drama flourished in their times. But, on the other hand, slaughter and rapine wasted the little city-states, since they lacked the genius of compromise, and any scholar's ease for contemplation was purchased by the hard labor of, say, 40 slaves. Moreover, their arrogance in dismissing all non-Greeks as barbarians unworthy of consideration seems to bring to mind some prejudices of today concerning Russians, Poles, Protestants, Catholics, Jews. Perhaps we are no better than the Greeks.

But there is a barbarian Art. For years a Chinese coolie spends all his spare moments in rubbing a piece of jade. Long after he is dead his jade Buddha, perfect in design and finish, is cherished in a museum. And what about the porcelains of the Ming dynasty, or the tight weave and rich colors of a Navajo blanket, or the consummate invention of the American Indian — the birch-bark canoe? Surely Art is the product of individuals, highly-civilized in one phase or other. In other phases they may be ignorant and even gross. To assume that any nation, or even community, taken hit-or-miss, is artistic, and therefore civilized is to take a considerable liberty with the truth.

Caveat Emptor

There is a suspicion in some quarters that Commerce is civilization. Yet Commerce, as we know it, differs only in degree, not in kind, from the practice of the savage in exchanging the raw pelt of an animal for a handful of glass beads. And in the process, pretty generally, the savage was skinned. And I seem to have heard recently, in this very modern and civilized community, of a Better Business Bureau, established to prevent the skinning of customers. "Let the buyer beware" (*Caveat emptor*) is a phrase with a long, long history. And it's good advice to this hour. Even money (*pecunia*), that strange and ghostly thing, the possession of which is supposed to have a civilizing influence, once meant cattle to the Latins. With a cow, one could buy a wife or anything else necessary or desirable.

But perhaps civilization is Learning. Professor Einstein writes an equation and another mystery of nature is unveiled — partially. Or Professor Dimwitty writes a monumental study of Comparative Religions. Or Fred Banting chases down the cause of diabetes. Or Professor Livingston spots the blemishes in modern schools. Yet I seem to have heard of the collegiate master-minds of Germany rising as one man to give approval to the ravings of Hitler, the most barbarous of barbarians. And I have heard also of Intellectuals with no more self-restraint than a hog or a brindle bull.

Civilization, according to the dictionary, is the process of bringing enlightenment and refinement to social life. The two go together, like pork and beans. Neither one alone is much good. For there are intellectually enlightened men with no refinement in manners or speech, and refined people who can't even read or write. Neither class is truly civilized.

Indeed one may wonder if any "class," like any mass-group of people, can be considered as civilized. It is an individual business. If you hand-pick enough men and women and civilize them one by one, all who come in contact with them are likely to be improved in some measure and the mass-conduct of that social group will be influenced for the better.

I don't recall that Amos or Isaiah or Savonarola, or St. Francis of Assisi, or any other preacher or poet of note spoke of Art, or Commerce or Learning as the great need of the day. Their messages were to individuals, and the burden of them was "It's about time to think of the other fellow and what we can do for him." For the root of civilization is Justice; the fair deal and the open door for all people of all colors and all races and all creeds. The full flower of it is Content. Is there content in the cities of today, or in the world? Then what price is civilization as we know it?

Hiroshima was smashed by an atom bomb. Yet John Hersey tells of survivors who forgot their own terrors and pains to administer to others in desperate case. The bomb didn't smash civilization or reduce by one iota the ingrained courtesy of any genuine gentleman of the Japanese race.

If the barbarity of war should persist despite the U. N. delegates and their infinite genius for talking, and if our cities should crumble to dust and ashes it would not lessen the power of what Chaucer called "Truth, justice, freedom and courtesy." While men remain alive, the flame of social justice holds out to burn.

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IN THE PUBLIC EYE

Hard-Working C.P.R. President Is Known As "Billy" to His Boys

By W. L. MacTAVISH

IT is possible to get to know a top-notch railwayman by sitting in his office and talking to him, and by talking to his associates. A better and faster process is to go "out on the line" with him, watch him meeting his aides of every rank and capacity in the travelling office which is his private car, and listen to him talk while the train clicks off the miles between stops.

Meeting William Merton Neal, who took over the presidency of the Canadian Pacific Railway Company on February 1, in his office, one gets the impression of a competent executive, quick to make decisions and willing to stand responsible for them, and withal a pleasant and genial man.

Travel with him out on the line, and you quickly learn that being a competent executive isn't all there is to railroading. You learn, too, why he is "Billy" Neal to thousands on thousands of the Canadian Pacific men from coast to coast. You know that thousands of these men said with much satisfaction the other day, "I always knew Billy would make it."

Around the fabulous Van Horne and the temperamental Shaughnessy, legends flourished and anecdotes abounded; they don't around Billy Neal, unless it is his great capacity for hard work, which is no legend.

—Photo by Karsh.
WILLIAM MERTON NEAL

That is not to say he is colorless; far from it. He has a genial Irish personality, a lively wit, and he is an entertaining conversationalist. He has the quality of inspiring loyalty in his staff, from the section hands to the vice-presidents.

It is just that he has worked so hard at being a good railwayman and a good citizen that personality has been subordinated to the job in hand. He would be the despair of a biographer. Ambition, ability and hard work took him from office boy to president of one of the world's greatest transportation systems, and, in a way, that is that.

But only in a way. He didn't become Billy to all those thousands of his fellow-workers on the railway just by those qualities. He got that way by being always in the centre of things when difficulties arose and working on the spot to overcome them. Like the time when heavy storms and snow-slides at the summit of the Selkirks tied up traffic, and the railway workers faced as many difficulties and disasters in a week as might normally come in 10 years' operations.

Double Trouble-Shooter

Mr. Neal, general manager of western lines at the time, was to be found right in the thick of it, not merely directing operations but working like two men himself, lugging rolls of telegraph wires through the snow to help re-establish communications and otherwise doing whatever needed to be done. Grizzled sectionmen along the north shore of Lake Superior recall with pride how he worked side by side with them clearing the line after some disaster. They say "Mr. Neal" when they first meet him nowadays, but after a minute or two it is "Billy" again.

That is what you learn when you go out on the line with him. The station agents, the section foremen, the engineers, the roundhouse men, the division superintendents, all seem to be friends of his from early days. His memory for their names, their jobs through the years, their families and their problems is encyclopaedic. He doesn't consciously make a business of it. It is simply there. "How's the little girl who had the broken arm?" comes as naturally from him as, "Is that yard engine still hanging together?"

He has probably a wider knowledge of every nook and corner of railway property, than any of his predecessors in office since the days of Van Horne.

Born in Toronto in 1886, he was 16 when he was taken on as an office boy in the Canadian Pacific. The climb was slow, but steady. Secretarial work, minor positions in operating departments, then up and up, through jobs in the east and jobs in the west, until in 1917 he had become superintendent of car service in Montreal. Then the Canadian Railway War Board was formed, and Mr. Neal was made its general secretary. The title doesn't convey the fact.

Chief of Control Board

Actually, because of the nature of the set-up, he was just about the czar of all Canadian railway operations. He had an executive made up from all the railways, but the members were busy men, and Mr. Neal had to take and did take responsibility for most of the decisions made. The Canadian War Board worked, bringing top levels in efficiency to the railways in their war effort. A counterpart across the line in the United States bogged down because it tried to control railway operations in detail. The Canadian Board merely requested a railway to do this or that, and left it to the management to carry out the request.

It is said that some of the railways gasped a bit at some of Billy Neal's requests, but they complied. Cooperation replaced competition for the war period, and the job was completely done. Out of it, years later when the Second War was raging, came another big job for Mr. Neal, chairman of the transportation equipment committee of the Combined Production and Resources Board of the United States, the United Kingdom and Canada. He still holds that post in the Ministry of Reconstruction. It entailed a lot of travelling, endless conferences and hard work, and men who know at Washington say that again the job was efficiently done. It brought him the C.B.E. in 1944, and brought him in touch with British and American railway leaders who learned to respect his ability and determination.

Between the wars Mr. Neal's service was largely at Winnipeg, first as general manager Western lines and later as vice-president Western lines. Here he branched out more than had ever been possible before in public activities. He was president of the Canadian Club, president of the Navy League, president of the Lakeside Fresh Air Camp, and active in many other good causes, including the chairmanship of the General Hospital board. People liked him, knew his ability, and showered jobs and responsibilities on him. When he was called to Montreal in 1942, the whole city paid him honor. They gave him an infra-red lamp installation for the children's ward in the hospital.

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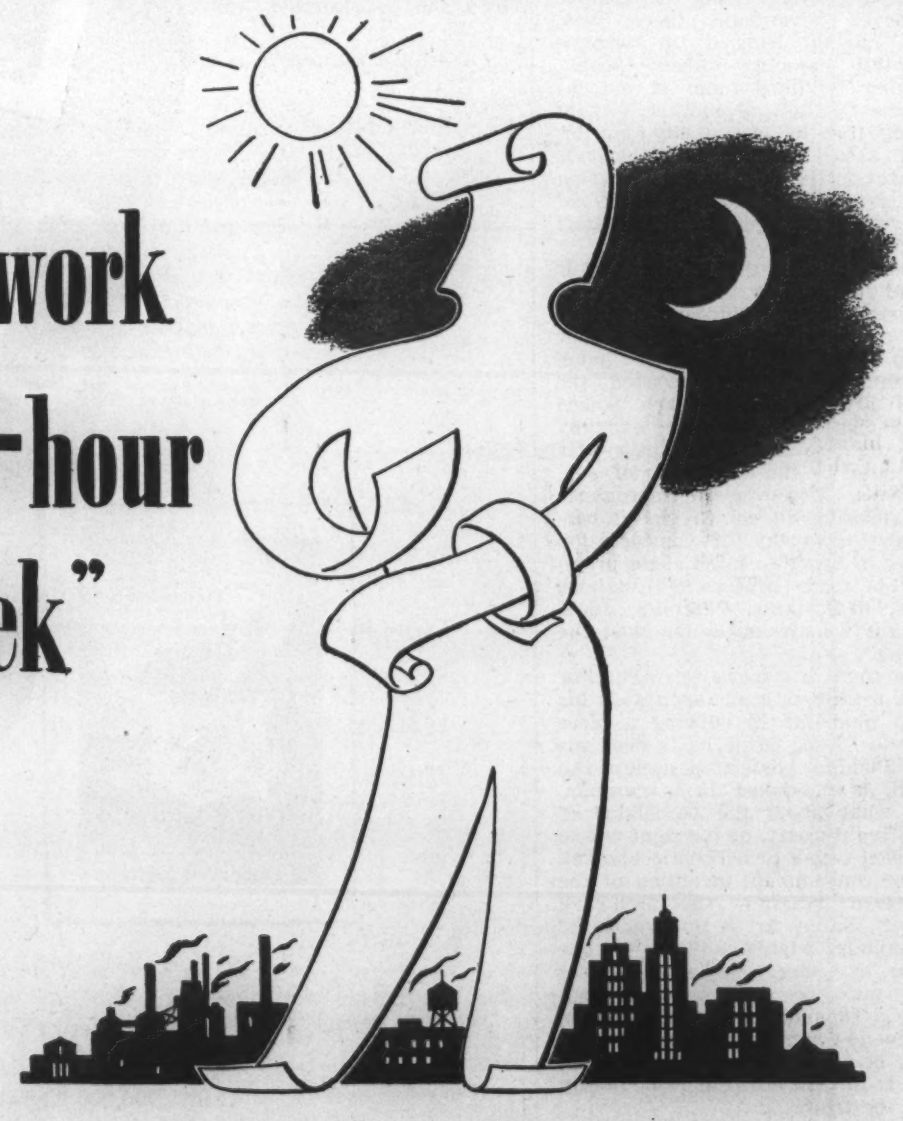

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evangelists for Canada's frontier empire of the north. Largely responsible for the development of Canadian Pacific Airlines, he has toured the north by air over and over again, and each time has come back more enthusiastic about the possibilities of the great northland. Whitehorse, Yellowknife, Eldorado, Fort Simpson, Norman Wells, Fort St. John and other northern outposts are now as familiar to his mind as, say, Fort William or Regina.

Speaking of it recently, he said he believed Canada's northland had all the potentialities the late Wendell Willkie had ascribed to Siberia. Development must come first by air, and Mr. Neal as the active head of the C. P. Airlines is in a position to do something about that. The North needs friends, men who understand the tremendous possibilities there are for development. Mr. Neal as president of the Canadian Pacific will be one of those friends.

Joie de Vivre

About the man himself, apart from his jobs and public activities, he is a stocky, erect man of 60, with a strong jaw and smiling Irish eyes. He watches his health pretty closely now, especially since a minor breakdown last summer, which took place in the midst of a particularly heavy Western inspection trip, but he still enjoys life.

Travelling with him involves endeavoring to handle three square — distinctly square — meals a day, for in younger days he had a real railwayman's appetite. He used to play a good game of golf, but hasn't done so much of it in recent years. Instead he took up riding, which was always something he liked.

He is a companionable man, and prefers conversation to cards. At his summer place at Christie Lake, Ontario, he likes to fish, swim and loaf. He is a Presbyterian, a member of numerous clubs.

In 1910 he married Miss Frances Jean Scott, of Renfrew, whom he calls "Fan", and they had three children. Scott, the elder son, is a barrister at Winnipeg. Jack, the younger, lost his life at the controls of an R.C.A.F. bomber over Germany.

Betty, the only daughter, acquired a B. Sc. in home economics and went overseas as a nursing sister with the R.C.A.M.C. She is now married and living in Winnipeg. There are four grandchildren, and Billy Neal is pretty happy about that.

Canadian Chinese on Homeward Journey

By P. W. LUCE

Vancouver.

CHINESE repatriates are moving homeward again for the first time since Japan invaded their country. Five hundred have left Vancouver to join 1,500 American Chinese in San Francisco, whence the liner General Gordon takes them to the Orient.

Only about thirty per cent of the Canadian Chinese are from British Columbia. The remainder come from as far east as Montreal. There is something rather pathetic about this exodus of the Celestials. Most of them are elderly. They have been in Canada 20, 30, 40, and in some cases over 50 years. With rare exceptions they are as alien as the day they first set foot on these shores. They speak a little broken English, but their philosophy is typically Oriental.

Sixty per cent of them are going home to die. The others plan to return to this continent, and they must register their intentions before they leave or the door is closed against them.

The journey, second class train and steerage on the ship, costs $300. Each traveller is allowed to take $1,500 out of the country, and most of them had saved up this quota. A few had scraped up the passage money by borrowing from friends. One old fellow had $2 to tide him over the six weeks' journey, and another had a mere $4. Most of the money was in bills of small denominations.

A patient, motley crowd which it took customs officers several hours to check, they started their long journey in sober silence. There was not one woman in the trainload. The Chinese were for the most part bachelors. A few score had wives and sons and daughters in China, but none in this country, where female immigrants have been banned under a law which the younger generation of Chinese is trying to have repealed as unfair and discriminatory. The only exception was in favor of the wives of professional men, and these are few. Curiously enough, many of the limited number of Chinese girls in Canada who have reached marriageable age have found husbands among the American Chinese and are now living in the States.

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1946 HIGHLIGHTS

Insurance and Annuities in Force	$1,057,000,000
New Business Placed	173,000,000
Assets	275,000,000

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SPORTING LIFE

Home Sweet 5 & 10 Cents Store: Looking for a Place to Live

By KIMBALL McILROY

PEOPLE speak glibly of the terrific physical strain involved in playing professional hockey. Skating up and down the ice, bodychecking, giving autographs. Professional boxing takes an awful lot out of a man. Training, punching, going into the tank. So does rugby. Running, kicking, tackling, bowing to the crowd.

Many assume, quite incorrectly, that the better-known sports are the ones which require the most perfect physical condition. They view the professional, and the usually better-paid amateur, with awe and admiration and urge growing boys to aim at eventual participation in some popular sport, with all its attendant healthful exercise and cash.

There is one sport, however, which is generally overlooked, although it is currently more popular—or let's say more prevalent—than all the rest put together and, moreover, requires far more in the way of physique, skill, and determination.

This is the sport known as Looking For A Place To Live or sometimes, colloquially, as Greasing The Superintendent.

Any number may play, and the rules are simple. Instead of trying to put a ball in a basket, you try to put the family into a house. This is much more difficult, because while there are two baskets on every basketball court many believe that there are no houses at all.

Just why this should be so is not entirely clear. Bomb damage in the average Canadian city is very slight. Few buildings had to be requisitioned by the military, because most soldiers at home were draftees and living in the woods. The only foreign military personnel present in any strength were—it turns out—the Russians.

NONE the less few vacant or semi-vacant houses seem to exist, except in the better residential districts. Nor are many being built, despite a not inconsiderable wartime industry which could turn out plenty of self-propelled 25-pounders at $125,000 a head and is presumably turning out mousetraps now.

This department is frequently asked why, in these days of shortages of housing materials, it is more essential to build movie theatres, 5 and 10 cents stores, and malting plants than homes for homeless veterans.

The answer that otherwise people would miss the exhilarating recreation of playing Looking For A Place To Live does not appear sufficient. Many veterans, particularly those with incapacitating wounds or large numbers of small children, don't even want to play it.

So frequently is the question asked that clearly it must be bothering a lot of people, and in truth the answer is not nearly so self-evident as the Authorities apparently assume.

Therefore, as a public service, this department undertakes to supply an answer to the problem as a background for participation in this new and amusing sport.

FIRST, let us look at it from the point of view of the Authorities. How much political influence has a veteran got? Especially a homeless one. Obviously very little. During the war, while he was busy fighting, he didn't even have enough influence to get himself sufficient reinforcements, so how could he be expected to have enough now to get himself a house? Which is a much more difficult proposition. Moreover, the campaign contribution of the average veteran is pitifully small. Certainly not large enough to justify the Authorities spoiling The Game for him.

The Authorities didn't get to be Authorities by being altruistic. These days, it's every man for himself. If a veteran can't manage to have himself a bungalow built, why doesn't he build a factory? Factory permits are easy enough to get and there doesn't appear to be a shortage of material for *them*. And there's certainly lots of living space in a factory. Just so long as you keep the kids out of the machinery. The Authorities were always pointing out proudly that one of the Canadian soldier's outstanding characteristics was his initiative. Why doesn't he use some now, then?

Of course, the Authorities, just to keep the game exciting, quite rightly have to turn a deaf ear (both are) to any suggestion that house-building should be made profitable. This would take all the fun out of it. Any suggestion that home-building be subsidized or otherwise encouraged is considered to be not only against the rules, but a violation of the very spirit of the game. Subsidize and otherwise encourage home-building, and what happens? Why, homes get built. And what happens to The Game? Why, it goes the way of Lacrosse. No, sir, the old rules are the best. Look what happened to Rugby when they introduced the forward pass.

So let's look at it from the point of view of the people who are having these movie theatres, 5 and 10 cents stores, and malting plants built. Statistics show that very few of them are homeless; therefore the problem is not a personal one so far as they are concerned.

OVER the building of malting plants, no sensible veteran will make protests, not so long as the present shortage of beer continues. Malt is an essential ingredient in the manufacture of beer, and beer is just plain essential.

Should it be proven, however, that some of this malt is to be diverted to non-essential uses, such as malted milks, then there would be a cause for valid complaint. Profits of brewers in Canada for last year were well up into the significant millions; if they get any larger there might be a suspicion that Big Business was entering into the thing, ridiculous as such a thought obviously is.

The 5 and 10 cents stores are another matter. They turn out nothing more potable than orange juice, or maybe a milk-shake. Therefore, are 5 and 10 cents stores essential?

The answer, of course, is Yes, although the average person may require some time to understand exactly why. Let us look at a 5 and 10 cents store in the process of construction. Just wherein does it fill an essential need of the homeless veteran? Why, the answer is just as plain as can be. The builders have thoughtfully supplied little peepholes in the wall surrounding their construction area, and there is nothing in the world to prevent the homeless veteran from peering through these all day long. He can contemplate the good fortune of the people inside who have jobs, and maybe even homes. He can contemplate his own good fortune in not having to tramp the streets all day, wearing out shoe leather. He can think of what a major contribution to the welfare of the city a new 5 and 10 cents store will be.

And when the store is finally built, and opens its shiny new portals to an eager and enthusiastic public, what then? Where does the veteran fit in? Not into a job, naturally, because the average 5 and 10 cents store employs girls, though probably they wouldn't object to a veteran so long as he'd work for that money. But 5 and 10 cents stores are heated. They have lots of floor space. Nice counters with things on them to look at. What better place to spend your day? Better even than watching the construction work, especially in the wintertime. Very simple calculations will show that a total of more than 500 homeless veterans can be accommodated in this way until (a) it comes on five o'clock, or (b) the manager calls the cops.

Probably very few people have ever looked on the problem in just this way.

NOW for the movie theatres. Everyone loves the movies. Statistics deriving from Hollywood actually show that in a given period of time more people go to the movies than live in the whole country. Even if there is a suspicion that some of these are repeaters—an incredible circumstance in view of the quality of recent pictures—those statistics are still very impressive.

Most of the movie theatres being built will exhibit a preponderance of Hollywood films, and for this reason adequate attention is being paid to the ventilating systems. Hollywood turns out a lot more pictures than everybody else in the world put together, but since it scored an average of about three out of ten in the various critics' choices for Best Film of the Year you can be sure that very few of these are going to be shown in independent theatres. They've got to be shown somewhere. Therefore more chain movie houses is the answer.

Now where does the homeless veteran fit into all this? The answer should be immediately apparent. What better place to spend the afternoon and evening than in a comfortable movie-theatre seat? Of course, unless he is a very sound sleeper the veteran will have to watch the picture, but lots of things overseas were worse than this. Well, not lots, maybe, but some. He may even see a good film once in a while, and the advantage here is that when a good film is being shown the theatre is unlikely to be crowded.

A writer in these pages not so long ago spent a couple of thousand words developing the theory that with care a man could work it so that he could spend his nights as well as his days in a modern, up-to-date, high-class movie house—live there the whole year 'round if he wanted. In the story he eventually got fed up with it, but the average homeless veteran has gone through too much recently to get fed up with anything.

There are too many fascinating facets to The Game to go into them in detail. The ingenious can be continually turning up new twists and angles, and even the non-ingenious will encounter many. Nevertheless, the pastime is well worth studying.

It appears to be here to stay.

In London, B.B.C. television announcer Gillian Webb recently became a diver in order to give an authentic commentary on "what it's like to be a diver". She made the broadcast from the test tank of a submarine engineering works at Surbiton, and is shown in full kit before the commencement of her talk while final adjustments were made to the helmet.

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The little lady is *not* standard equipment, of course.

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ADV. BY N. W. AYER

LONDON LETTER

Power Cuts Are Making English Homes Colder than an Igloo

By P. O'D.

London.

ELECTRICITY cuts have become a commonplace part of life in this country during these cold days of winter. Morning after morning—just about the time that with numbed fingers you are trying to shave your poor purple face in the igloo that you call a bathroom, only igloos are a lot warmer — the menacing voice of the announcer announces:—

"We have just received notice from the Central Electricity Board that a cut in supplies will have to be made between the hours of such-and-such over the area of so-and-so, unless consumers make immediate arrangements to reduce their demand."

Apparently consumers never do make arrangements to reduce their demand. I even suspect that the horrid creatures immediately turn the electric heaters up a bit higher, if it can be done, with the wickedly selfish idea of becoming as warm as they can before the supply is cut off, and completely arctic conditions prevail.

The reason why the electricity companies cut down the supply is the simple and sufficient one that they haven't the juice — partly because they haven't coal enough, or the right kind of coal, but chiefly because their plant is inadequate for the strain that is being put on it. Their plant is inadequate because during the war there was no chance of replacement or extension.

Now people are using more electricity than ever before, in the factories as well as in their homes, and the tired and more or less antiquated plant in the electricity companies cannot meet the demand. Hence these "load-sheddings," as they are technically known.

They are a necessary precaution, reluctantly taken, but that does not make them any more tolerable to the wretched fellow sitting in his overcoat to eat his cold breakfast, or the factory manager who sees his men standing idle around the machines that have stopped for lack of current.

What the consumer wants to know is whether or not anything is being done or planned to remedy this distressing state of affairs. What is being done seems to be very little —perhaps inevitably so. What is being planned, however, is most impressive, nothing less than the building of 20 new generating stations and extensions to 50 or 60 existing stations, at a cost of some £200,000,000.

This would go far towards doubling the existing supply of electricity, but it is not the sort of thing that can be done in a few months. By the end of 1950, says the Central Electricity Board, and even that may be an optimistic estimate. The electricity companies are not likely to be encouraged to any very frantic exertions or any very reckless expenditure, with the threat of nationalization hanging over their heads.

When nationalization comes, as it probably will very soon, the first effect is likely to be one of confusion and disorganization. The final results may be good—the proof of the pooling is in the heating—but in the meantime the Englishman's home will continue to be his refrigerator. We might as well be cheerful about it. There is nothing immediate that can be done, short of towing the whole blessed island down somewhere in the neighborhood of Madeira. And even that takes time.

Naughty Verses

In this country the Lord Chamberlain is the official Stage Censor. It is he, or his deputy, who has the power of granting or withholding stage licenses. Before they are released for production, the scripts of plays and revues must be vetted by the members of his vice squad, blue pencil in hand and, I suspect, a look of greasy expectancy in the eye. Considering some of the stuff that gets past, what they cut out must be very hot indeed.

For a long time we haven't heard much about the expurgatory activities of the Lord Chamberlain and his unmerry men. Either they haven't done very much in the blue-pencilling line, or they have done it very discreetly. But the other day they broke into the news again, when they cut certain verses out of a new revue, because these were considered to hold eminent public figures up to ridicule — especially in the matter of their rather haphazard use of the letter "h". Should I perhaps say 'ap'azard? The chorus of one offending ditty ran, "Bevin, Bevan, let's call the whole thing off".

It could hardly be claimed that the satire in question is either very amusing or in very good taste, but the fact of the censor cutting it out gave the publicity agent a heavensent opportunity, of which he took full advantage. Besides, why shouldn't eminent politicians be lampooned on the stage? See what the cartoonists are always doing to them!

However, the naughty verses were cut out, and innocuous new ones put in their place. So now everyone is satisfied—except perhaps the eminent politicians concerned. They might have preferred that the Lord Chamberlain should not be quite so officious in defence of their pronunciation.

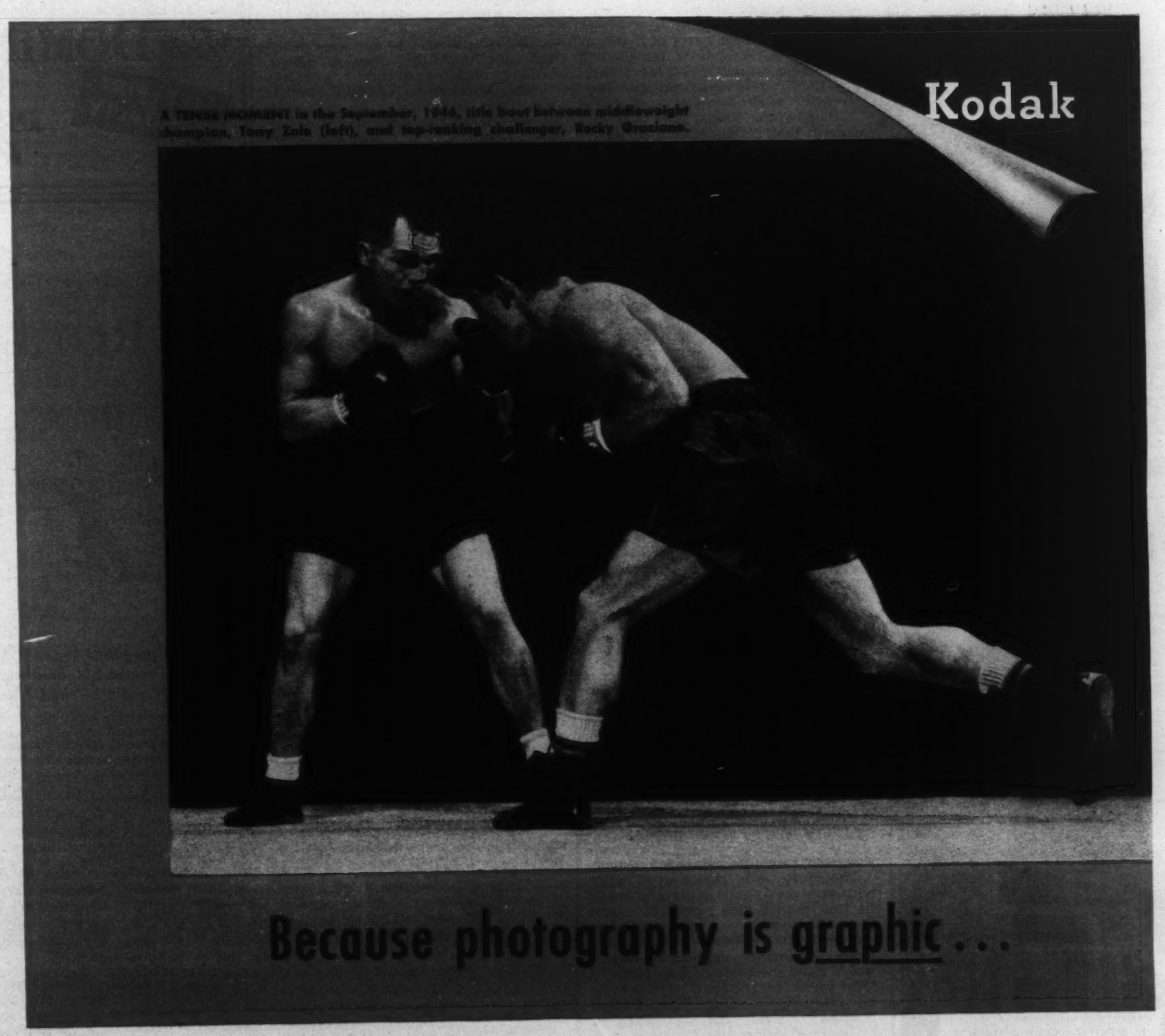
Preserved for Posterity

When the Politburo of Hollywood decided some months ago to liquidate the French film, "Le Jour Se Lève," the indignation of the many admirers of that masterpiece was somewhat soothed by the announcement of the British Film Institute that a copy of the film was safe in its vaults.

This announcement drew attention to the British Film Institute and its library, and the important work it is doing in preserving for posterity whatever films have value as art, as history, or as scientific records. With this end in view a special committee goes through the new films each month, picks out those which seem to be worthy of keeping.

In the beginning the stocks of the film library grew slowly. There was plenty of room on the shelves. Now the collection is growing at such a rate that the available space is being exhausted. Already the library contains some 13,000,000 feet of film, and the Film Institute is looking around for a new site and new building — about 12 acres, it is said on which a 10-storey building can be erected, five storeys above ground and five below.

It is an ambitious project, but it is to be hoped that the Film Institute will be enabled to carry it out. There is no sort of record that would give posterity a better idea of how we live now — presuming of course that posterity in another generation or so won't have gone back to living as cavemen.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MANHATTAN PLAY-GOER

A Show That Snaps and Crackles Brilliantly but Lacks Heart

By NAT BENSON

New York.

YOUR Gotham dramassassin looked in on the still-flourishing Crouse and Lindsay Pulitzer Prize Play of 1946 and found at first glance practically nothing to assassinate — for "State of the Union" is the *play perfect*. Its greatness is limited only by the genius of Howard (Garrick) Lindsay and Russell (Buck) Crouse.

This happy and fortuitous combination of Lindsay, a gifted and potent actor with an unerring feeling for stagecraft and situational comedy, with a wry-humored Hechtian zany of a newspaperman turned librettist (Crouse) forms the logical dual successor to Kaufman and Hart, Hecht and MacArthur, and further back, Gilbert and Sullivan. A big lush article in a current slick weekly makes Crouse and Lindsay appear almost too consistently as two rash bavian wits dreaming up incredible off-stage whimsies to startle the populace; but these two talented gentlemen are much more than merely a pair of comic scripters on the loose. They are two amazingly skilled, slickly-functioning experts, whose joint operation on any theatrically plausible idea is an almost certain guarantee of the idea's eventual success, behind the footlights at least.

It is claimed that Lindsay and Crouse talked over their treatment of "Life with Father" for two years before dialoging it. That would seem overlong even for Shakespeare or Shaw to be sicklied o'er with the pale cast of thought, but certainly any Lindsay and Crouse play we have seen bears the studious imprint of two sharp minds who relentlessly seek perfection in putting together the variant jigsaw parts of dialogue, business, character-lines and sizzling wise-cracks which make for a comedy that cannot help but go *snap! crackle!! pop!!!*

"State of the Union" does that, and exactly that! It is all but unbelievable in its sheer *expertise*. In a word, it tells the story of a dashingly handsome, articulate young millionaire airplane-manufacturer, who, like the late great Wendell Willkie, saw the light and decided that the people of the U.S. deserved a better, nobler, higher-intentioned type of government than that which cigar-chewing boys-in-the-back-room plot out every four years. "State of the Union's" opening finds the Union in a very bad state indeed, with the young Lochinvar from the West seriously enmeshed in the glittering toils of a gorgeous lady who is boss of a big Washington daily. A big-time political fixer named Jim Conover is attempting to guide the ship of state into his own harbor for private looting. He and his crony, a shrewd newspaperman-campaign-manager sympathize with the well-founded gossip maligning their boy, and they bring down the house by telling him that there has always been such romantic "gossip about *every* President or candidate for same except Herbert Hoover, who escaped only because nobody would have believed such things could happen to H. H."

Ace Curtain-Line

Be that as it may, the collar-ad candidate's extra-marital activities do lend themselves to Lindsay and Crouse's evolution of one of the best curtain-lines we ever heard—when the political fixers reconcile the handsome would-be President and his glamor-wife, Kay Francis, purely for Presidential purposes, the hard-boiled little campaign-manager cracks ironically: "Well, politics *certainly* make strange bedfellows!"

The dialogue is positively Crousy with bon mots, good mots and mots of less merit: "I'd rather be tight than President" — "Applause be damned! If applause meant anything, William Jennings Bryan would have been elected four terms;" "He ought to be President—maybe he could even unite the United Nations;" "While the war was on, we were fighting the Germans and the Japs—now we're just fighting each other."

There are four fat roles in the play, the handsome Candidate (Ralph Bellamy), his wife (Kay Francis), Jim Conover the big political machinator (Minor Watson), and the astute little campaign-manager (Myron McCormick). McCormick is a latter-day Ned Sparks, absolutely authentic as well as essentially human in a difficult part, both he and Minor Watson look and act convincingly enough to have stepped right out of the Albany Club. Since Bellamy and Kay (Dashing-as-ever) Francis play fairly straight roles, although hers in one dazzling décolleté is not entirely straight, they are slightly eclipsed by Watson, McCormick and a flawlessly-chosen supporting cast.

Staging, production, direction, dialogue, costuming, all are exactly right. You come away from the Hudson Theatre feeling that you have been privileged to see something typical of Manhattan at its slick current best. You have seen a Pulitzer Prize Play that looked, glittered, crackled and rippled as one should—a rippling political satire that painlessly belabored the Republicans, fondly castigated the Democrats, and showed plenty of ill-assorted connivers at a Washington dinner party. And they are dreadful people, of a surety.

A Bit Too Smooth

And here is the place where I would break a lance with even such redoubtable playsmiths as Crouse and Lindsay. They have not made these people dreadful enough. They have given the sensitive or smug playgoer only a playful dig in the ribs, a smooth-as-satin strip of innuendo or scathingly adroit criticism. It is all just a bit too smooth. It lacks something badly—with all of its incomparable adroitness. It lacks heart, and power and dramatic impact, all sacrificed to mere brilliance In 50 years it will be more smoothly impotent than the lines of Oscar Wilde's dazzling dramatic gewgaw "Lady Windermere's Fan", which was likely as timely in its day as is every scintillant page of "State of the Union."

The hearts of Crouse and Lindsay are in the right place, on the side of the angels, human and theatrical both. But those hearts, so perfectly attuned to their medium, never beat furiously, no, not for a moment. They beat rhythmically, smoothly, harmoniously and in perfect time. A little, just a little, of the fierce blundering inchoate power that O'Neill put into "The Iceman Cometh" might have made "State of the Union" a memorable political play. a genuine human document of vigorous intent. The burning social consciousness of an Ibsen, the political incisiveness of a Shaw, the awareness of Shakespeare to what he termed "a pregnant hour"—these are the things these two brilliant play-fashioners and creators have not yet shown us they can measure up to. The burning passionate indignant things that needed to be said they did not say. Emotion was sacrificed on the altar of well-bred, smoothly - clicking entertainment. Perhaps if "State of the Union" had been a little *less* deft and scintillating, we might remember it longer, and as more than just a brilliant evening's entertainment.

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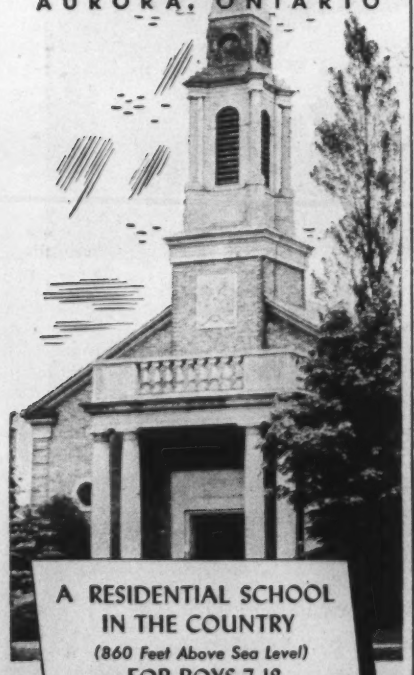

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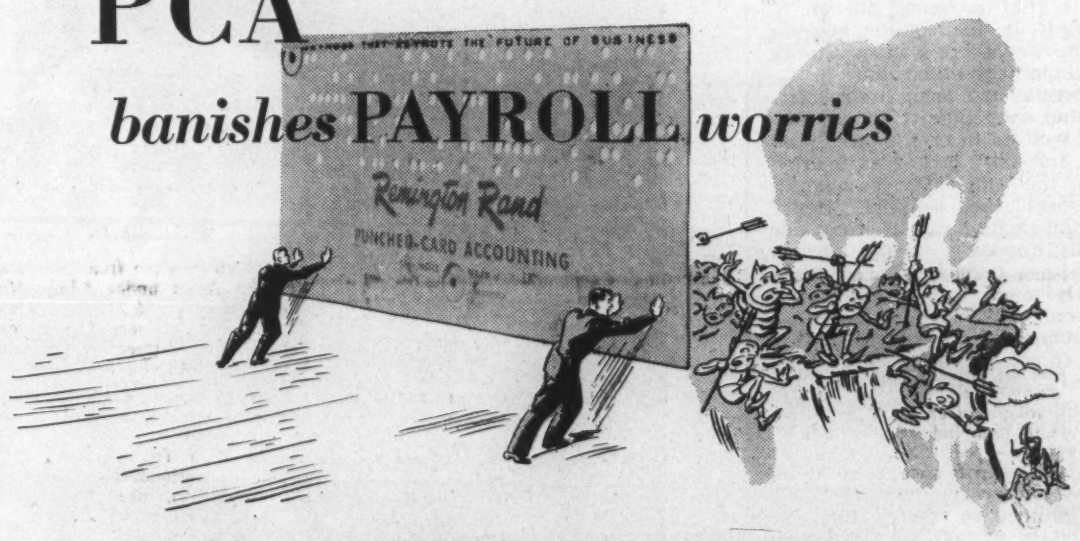

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Addresses by Hon. Charles McCrea, K.C., President and Mr. W. G. Watson, Vice-President and General Manager

Sixty-Fifth Annual Report

TORONTO GENERAL TRUSTS

New Record Set in 1946

PRESIDENT

The President, Mr. Charles McCrea, K.C., in moving the adoption of the Report, said in part:

Supplementing my report to the shareholders in behalf of the Board of Directors, Mr. W. G. Watson, our capable and efficient General Manager, has given you an able and explanatory review of the Corporation's business for 1946. This is his Fiftieth year with the Corporation and it is a matter of pride to him as it is to us that he crowns his Golden Jubilee of continued service by a report which is the best in the history of the Corporation. It evidences the enduring march of progress and success during the 65 years of the Corporation's existence. I am happy to extend to him the congratulations of the Board and, I am sure, of the shareholders, on the fine achievement of himself, his loyal staff and associated employees in all branches, as well as our competent and helpful Advisory Boards.

POST-WAR DIFFICULTIES

Undoubtedly we were over-optimistic in believing that the devastation and disorder which six years of global conflict created could be reconciled in the period of a year to a year and a half which has elapsed since the "cease fire" was sounded. We realize now that it will take a much longer period to set the world back on a normal track. The battle for world peace and world order is still with us, but the wide publicity given to disputes and conflicting interests has made it possible for us to appreciate the magnitude of the task. We must keep striving and trying for a satisfactory solution, rather than risk a recurrence of the old order in which national differences and rivalries inevitably led to war.

EXPORT GOAL SET AT $1,750 MILLION

To-day, more than ever, Canada is a part of this great International World and depends upon a large volume of export trade. Geared as we were to a high industrial capacity for war purposes, we hoped to swing its strength into a peace-time export trade for the benefit of Canada's economy. In April, 1945, in a Canadian white paper "Employment and Income with special reference to the Initial Period of Reconstruction", a target for post-war exports was set up. The following is a quotation from that paper:—

"Canadian employment and income have, in the past been highly dependent on export markets. In Agriculture, and the other great primary industries, the dependence has been direct and obvious. Where it has been indirect, it has been none the less real.

"Having regard to the structure of Canadian industry, the desired levels of employment and income, and the low level of export trade before the war, the Government considers that a figure of not less than one and three-quarter billion dollars annually at current prices for merchandise exports and non-monetary gold is a practical and desirable target for post-war exports. This would be about one-half our current swollen wartime exports, about 60 per cent. above the pre-war level in dollar value, but only about 15 per cent. higher in the amount of goods exported."

On above basis, we had estimated for 1946 an export trade of roughly $1,750,000,000. We learn with great satisfaction that our domestic merchandise exports for 1946 will exceed $2,300,000,000, of which 40% is to the United States and 25% to the United Kingdom, with the balance being widely diffused through British countries, Europe, and Latin America. Although this is not as great as the previous four war-years, it is far above the average of $884,000,000, for the five pre-war years of 1935-1939.

CANADA MUST PLAN

Our National objective in this post-war period is two-fold. On the one hand we wish to play a worthy part in International negotiations and relations so that we, along with other nations, may bring about a lasting peace, and derive the benefits which flow from it; on the other hand we look forward, through expansion of our productive capacity and commerce, to enhancing in these years ahead the very creditable position which we achieved in the war period. Primary resources we have in abundance—farms, forests, mines, fisheries—and we are already geared to industrial capacity far beyond our own needs. In the vast trade we did with the outside world during the war years, and since, agriculture and animal products have supplied our chief exports, with wood, wood products and paper, second. It is inevitable that with the war over, and return to production in war-torn countries, our agricultural exports will drop, as will also our exports of manufactures. It behooves us, therefore, to look ahead to adjust our economic effort to changed world conditions of demand and supply.

One avenue of adjustment which suggests itself is the expansion of mineral production—to meet external requirements and at the same time to create at home new towns and cities and enlarge our population. Broad-visioned policies will do this; and only broad-visioned policies will enable us to carry on in the traditions of the Founders of this Nation. They laid the foundations, set up the frame work of a great edifice, and have left behind them a great heritage of achievement. Their work, was, however, only a beginning, for they left as well, a greater heritage of unfinished business.

GOLD MINING URGENTLY NEEDS TAX RELIEF

I give this background to remind you that vast areas of Canada's hinterland are still undeveloped but within them lies great potential mineral wealth; and I make a plea for a revival of gold mining. "Gold-mining" was the "open sesame" which sent an eager world to settle and build California, that sent daring and courageous nation-builders to British Columbia, and developed them into great communities. Gold mining has already played an outstanding part in our National expansion. The finding of gold, and the production of it, has built towns and cities in Ontario and elsewhere, attracted supporting industry, and infused new hopes and ambitions. Tax the mining industry, of course—but impose a fair and moderate tax—on such a hazardous enterprise. It is better to have a hundred mines producing gold at a moderate tax, than only a few producers cramped by a higher tax until even those mines are exhausted and eventually a great industry dies. The benefits which accrue from successful mines paying a moderate tax are small indeed to the mine-owner or mine shareholder, in comparison with the benefits which are distributed to the community. The labourer finds his living and his home in the mining community. Transportation, industry, agriculture, forestry, professional and trained personnel, the Exchequer, together share much the greater part of the new wealth produced. It is not difficult to foresee the part an expanding gold-mining economy can play in our country's development. It will be complementary to our other business activities. The production of new wealth impoverishes none but enriches all.

The time is now, while we still enjoy a profitable export trade, and before a business recession sets in, to set our Canadian house in order, and so be able to absorb the shocks which the aftermath of war will eventually produce. Thoughtful Canadians realize how much we depend on the wealth crop taken each year from our primary industries of agriculture, forests, fisheries, mining and tourist trade. When we can find markets for the output of these basic industries, all is well in Canada. There is always a market for gold, but gold will only be produced if hope is entertained for a profit commensurate with the hazard. The time is now to shape our policies to assure a broad, active endeavour and attract not only our own but outside capital to engage our people.

I have always been an optimist concerning the gold industry and what it can do for Canada. I am convinced that aggressive revival in gold mining is one of the outstanding needs in Canada's economy now. With the war over, I urge the Federal Government to ease the restrictions now burdening the industry.

We have youth, faith, capacity, energy and talent. Men and women of this Northern Zone are worthy of their great heritage and deserve the opportunity to develop it. Let us build and expand in this generation and, in turn, hand to the next a comparable heritage of our achievement to be matched by them when they take over to carry on in the great unfinished task of nation-building.

Your Corporation looks forward confidently to Canada's expanding future. We shall continue to play our part in advancing its growth and participating in its success.

In the complex financial and commercial civilization of which we are all a part there is increasing need for its services. I heartily commend it to your consideration.

GENERAL MANAGER

The General Manager, Mr. W. G. Watson, said in part:—

The Sixty-fifth Annual Report of the Corporation is one in which you, as Shareholders, may, I am sure, join with the Directors, members of our Advisory Boards, Officers and Staff in reasonable pride, for all have had a share in making the year 1946 the best or peak year in the three score years and five of our history—the best in volume of Assets under Administration — the best in total of new business assumed in any year — the best in volume of potential future business as expressed in the number and quality of Wills filed with us for safekeeping—the best in earnings, due largely to a constantly increasing demand for our services not only in personal Estates, Trusts and Agencies but in Corporate Trusts and Transfer Agencies as well.

INCREASE IN ASSETS

You will observe from the Balance Sheet that the Assets under Administration now amount to $296,256,212, an increase of $18,714,766 over last year. This increase is contributed to by all three sections of our Balance Sheet in the following amounts:—

Capital Account (which represents the Corporation's own assets)	$ 670,411
Guaranteed Trusts Account (which includes funds held under Guaranteed Investment Certificates and Savings on deposit)	2,466,632
Estates, Trusts and Agencies	15,577,723
	$18,714,766

The major portion of the increase in our Capital Section is accounted for by a reserve of $500,000, which appears in the Balance Sheet under the caption "Investment Reserve", an amount released by your Directors from reserves previously set up as a precautionary measure.

CAPITAL ACCOUNT

The Office Premises Account was increased during the year by $55,335 through the acquisition of certain building lots and the cost of structural changes and expansion in our office buildings in Montreal, Ottawa, Winnipeg and Vancouver Branches, but appears in our Balance Sheet at $1,535,000, or a slightly lower sum than in 1945 after a depreciation write-off of $57,335 as shown in the Profit and Loss statement.

Real Estate held for sale is shown at $63,337, or $103,266 less than last year. Mortgages and Sale Agreements in this Section at $1,863,048 show an increase of $99,982.

Dominion of Canada and Provinces of Canada bonds are up $231,445, for a total of $1,432,478. Call Loans on Trustee securities at $401,694 are up $254,186. Cash in banks and On Hand at $281,091 compares with $214,827 for last year.

GUARANTEED TRUSTS ACCOUNT

Coming now to the Guaranteed Trusts Section of the Balance Sheet, mortgages at $5,083,895 are down from last year by $643,297.

Dominion of Canada and Provinces of Canada bonds, together with Canadian Municipal debentures at $14,026,408 are up $2,615,296. Call Loans on Dominion of Canada, Provincial and Municipal securities of Canada at $1,054,906 show an increase of $635,648. Cash in chartered banks and on hand at $1,040,149 compares with $1,152,626 for 1945.

INCREASE IN ESTATES ACCOUNT

In the Estate and Agencies section, assets under administration at $268,702,327 show an increase for the year of $15,577,723.

INVESTMENTS

It will be of interest to you that in connection with the Dominion of Canada, Provinces of Canada bonds and Municipal debentures totalling $15,458,886 held in our Capital, Guaranteed and Savings Sections there are no defaults, all interest and principal due having been fully met as at the end of the year. This situation applies also in connection with our holdings of other bonds totalling $204,670 in these Sections. As to preferred and common stocks totalling $267,823 held for these accounts, all are making regular dividend payments. It is also a further interesting commentary on the city mortgage situation in Canada—both East and West—that in connection with mortgages totalling $4,620,553 held for these same accounts the arrears of interest outstanding as at the 31st December, last, amounted to less than one-tenth of 1%. The average earnings on investments held in these Sections was 4.37% for last year.

The Dominion of Canada and Provinces of Canada bonds and debentures of the Municipalities of Canada, together with stocks and bonds held in the Capital and Guaranteed Trusts Sections, had at the end of the year a market value substantially in excess of the book or cost value at which they are held.

Our liquid position in relation to Savings on deposit at 149%, you will, I am sure, feel is exceptionally strong.

STEADY GROWTH OF CORPORATION

Through these sixty-five years with their good times and bad, the Corporation has year by year shown steady expansion, as evidenced in the mounting volume of Assets under Administration and in the multiplication of our duties and services. No better proof of the Corporation's record in this connection during its sixty-five years could be given than the figures contained in the following table:—

Total Assets Under Administration

December 31, 1896 (or 15 years after its inception)	$ 12,004,000
December 31, 1906	$ 31,408,000
December 31, 1916	$ 77,181,000
December 31, 1926	$159,813,000
December 31, 1936	$240,755,000
December 31, 1946	$296,256,000

While our Head Office is in Toronto, we are proud to be known as a "national" organization with ten Branches located across Canada from Montreal to Vancouver, fully equipped through our Board of Directors, Branch Advisory Boards, Executive Officers and Staff to deal intelligently with the widely scattered and diversified Estate assets and Corporate Trusts with which we have to deal.

RECORD WHEAT CROP

The third estimate of Canada's 1946 wheat production which has just come to hand, places the total at 420,725,000 bushels or a gross farm value of $480,215,000, which is stated to be an all-time dollar record for this highly important world commodity. Of the total crop estimate, the amount produced by the three Prairie Provinces is placed at 400 million bushels, as compared with the 1945 crop of 294,600,000 bushels. The farmers of Western Canada are to be congratulated upon the success of their fine endeavours in recent years which have meant so much to them personally and to Canada as a whole. It is safe to say that without the West as we have it to-day, the place which Canada now occupies among the nations of the world would have been quite impossible.

REAL ESTATE

In the Real Estate field in Canada, while in the last two months some sales resistance developed, 1946 as a whole was one in which great activity prevailed not only in dwellings and apartment houses but in business properties of all kinds and in the West in farm lands as well. In our own experience, sales for the year of properties belonging to estates and agencies and parcels of our own held for sale were 666 in number for a total of $4,612,061, in connection with which the cash or down payments amounted to 58%, which compares with 714 sales for $4,444,256 in 1945 when the number of properties on hand or listed for sale was substantially higher.

IMMIGRATION POLICY REQUIRED

One of the most urgent matters which faces our Federal Government to-day is surely the setting up of a sound and adequate immigration policy together with the necessary personnel and facilities, looking to an early and important increase in the flow of suitable immigration to our shores.

In almost every direction undertakings, as I have pointed out, of marked importance are being held up because of a shortage of personnel. The shortage not only obtains in the field of primary industries—agriculture, mining, forestry and fishing—but also in manufacturing, the building trades, office and shop workers, domestic help and certain of the professions. There are, as Mr. Arthur MacNamara, Deputy Minister of Labour, pointed out a few days ago, certain occupations to which most Canadians "do not lend themselves readily". If this applies—as no doubt it does — to our primary industries whose products, if in short supply for any length of time would seriously disrupt our whole economic system, some solution must be found to the problem, for upon these industries our whole economic fabric is built. No doubt tens of thousands of good workmen accustomed to such occupations are available to us in Europe to-day as well as large numbers of competent men to take on other duties, together with many who have the means and qualifications necessary to establish businesses of their own, some indeed who would be glad to come with special skills and crafts which would not only be new to Canada but add color and variety for future business development.

England has in the past, by opening her doors to refugees in times of stress, greatly enriched her industrial life. We must recognize the responsibilities which our great natural resources impose upon us to give home and employment to tens of thousands of displaced and eager folk—neighbours of ours now in a world made small indeed by transportation—and in doing so we shall expand our facilities for establishing a foreign market through present-day needs which obtain and also find an ampler life, higher standards and stability for all of us through a much larger domestic market.

One is sure that Canada at the present time has within her grasp an opportunity such as few nations have ever had of increasing her prestige and national worth through an all-out attitude of good-will and service. To enter into possession of such a field, however, calls for the opening of our doors, as I have already suggested, together with a more serious and comprehensive planning on the part of those who employ and those who serve to discover by how much the present-day production of our hands can be increased by a concerted effort to make available to all at economic prices the commodities necessary for our domestic requirements and the foreign markets that may be open to us.

NEW CITIZENSHIP ACT

Canada has, under her new Citizenship Act, given a new status to Canadians which should simplify and give stimulus to our efforts in establishing a national unity of programme and purpose across Canada. It will also clarify our public and private contacts and relationships with the peoples of other lands while not detracting from the warm regard for Britain which is presently held by so many Canadians.

STAFF

In closing, I desire to express my very sincere appreciation of the loyalty, efficiency and hearty co-operation of my fellow officers and members of the Staff throughout the Corporation at Head Office and its Branches during a year of transition which presented many problems, particularly in our endeavours to satisfactorily locate our boys who were returning from war services. It is a pleasure to record with what enthusiasm and purpose they have returned to our offices in Toronto and the Branches and resumed their work to our great satisfaction and appreciation.

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ART AND ARTISTS

Varied Aspects of Modern French Society Shown in Exhibition

By PAUL DUVAL

THERE is a rather remarkable exhibition now on view at the Art Gallery of Toronto. Its title is "The Spirit of Modern France," and its premise is to illustrate with painting the nature of the French people through the triumphs and vicissitudes of two centuries (1745-1946). If one pauses for a moment to realize the problems of borrowing paintings for a show of this calibre, its importance is readily apparent.

Not often, anywhere on this continent, has French art been presented in a more interesting manner than the present exhibition arranged by the galleries of Toronto and Toledo. There have been exhibitions where the general level of the exhibits, as aesthetic achievements, has been higher, but here the purely aesthetic worth of the paintings, though important, has been a secondary factor. There are some poor—and a few exceedingly banal — canvases in the collection, but they have been selected, in spite of their commonplaceness, because of the desire on the part of the exhibition committee to reflect all aspects of modern French society.

"The Spirit of Modern France" takes up French painting with François Boucher, who was the foremost pin-up painter at the court of Louis XV. Boucher is represented by two pieces: a fairly superior landscape, "The Dovecote" which is clearly and briskly executed, and a large, languorous composition entitled "Floral Crown" which depicts two young women at ease in a stage-set forest. (By the way, I believe that the seated figure on the left was originally a young man but, for some misguided sense of propriety, was later retouched; the general anatomy is hardly that of a young woman.) Close by the Bouchers and offering a contrast in its simple, almost severe tonality and spacing, is a first-rate example of Hubert Robert's art. It proves that Robert could, when he got far enough away from the mustiness of the Coliseum, do moving work. In its arrangement of a few large thrusting masses of shadow, his "The Waterfall" is a powerful canvas, still, but quiet.

Refreshing

To move from Boucher and Robert to La Tour is to step, historically, from a lush enervation and a nostalgia for the past, into a brisk, almost merry, depiction of the present. Maurice de La Tour was a first-rate pastel reporter, and his straightforward observations, though they seldom excite, abound with sanity and are almost invariably refreshing.

Jacques Louis David has, I feel, just a little too much representation in the present show, even considering his importance as a symbol of the militant Napoleonic era. However, the six canvases on view are a pretty representative selection. "Women with Kerchief" is a typical example of his forthright, astringent portrait work, and "Lictor Bearing the Bodies of His Sons" is the sort of historical school piece he did so badly, but which his patrons liked so well. The two most interesting David canvases on view are the "Roman Warrior" and "Roman Youth with Horse" which some may recognize as studies for or later copies of the two major figures of the right half in "The Sabines," David's huge salon piece in the Louvre. Personally, I prefer the two isolated figures, to the still, frozen mêlée of "The Sabines."

The three Delacroix canvases on view give a pretty good idea of the breadth of his talents. There is a tender "Christ on the Cross" which reveals Delacroix's sense of drama at its subtlest; a rather banal story-piece "The Return of Columbus" of a type which, fortunately, the greatest of French romantic painters did few, and a brilliant *tour de force* of baroque design, "Combat Between the Giaour and the Pasha." The "Combat" reveals Delacroix's ability to make an intelligent and harmonious composition from the most violent movement, something in which he is surpassed only by Rubens.

Jean Louis Gericault was certainly no ordinary artist and if he had lived might have rivalled the supremacy of Poussin in French art, but the two canvases in this exhibition do not reveal his talent at its height. "The Riderless Horse Race" however, is typical of the sort of thing he did best, and gives some inkling of his latent greatness.

"The Laundress"

The selection of the five Daumiers has been exceedingly well done. "The Fugitives," "The Advocates," the "Third Class Carriage," "The Uprising" and "The Laundress" reveal his brush at its most biting and its most tender. "The Laundress," of course, is a very great painting. In it, Daumier, who knew both well, has achieved a perfect union of poetry and poverty. In the gentle, hesitant line of the bent woman's back, and the halting, yet eager, steps of the child, both poised against the contrasting, harsh rigidity of the city background, there is a profound social symbol. But it is a symbolism achieved in a purely pictorial manner; a comment which remains fully within the artist's aesthetically creative field. He has achieved his tragic impact through an uncannily judicious design. "The Laundress" is as effective a meeting of Daumier, the bitter social pamphleteer of "Gavarni," and Daumier, the great aesthetician, as exists.

In the "Third Class Carriage," we find again, less movingly, the more reflective side of Daumier. Here physiognomy and personality concern him and he seems to have been infused by them, forgetting for the while his social-conscious self which caused him to impose his personal anger so heavily upon his painting that, at times, it approached dangerously close to straight caricature.

Of the other three works by Daumier, "The Uprising" is a noble work, but too well known to require comment here; "The Advocates," which represents his bitter side well, is a small, grim and terribly telling panel; and the "Refugees" is a brilliantly simple design, gaining its impelling movement from the most elementary of wedge-arrangements.

To move from Daumier to Constantin Guys is like changing records from Beethoven to Debussy. Guys, the "Eric" of his day, was an exceedingly clever draughtsman. The long, narrow "Promenade" is a typical and worthy product of his talent, but "The Phaeton" almost completely lacks his characteristic wit, confidence and finesse.

Importance of Figure Work

The large female portrait by Courbet represents one side of his talent effectively, although, at that, it is hardly sufficient in itself to represent the importance of his realism during the nineteenth century. The "Honfleur" canvas, by Corot, is a brilliant example of his best landscape period; it is a crisp, complex variation on the muted, deeply grayed tones which marked his early Italian and French scenes. "The Sybil" by Corot is clearly an unfinished work, and should be judged as such. It gives some indication of the importance of his figure work which, unappreciated in his own time, is now regarded as his most lasting contribution to art. Certainly, the figure-pieces he did throughout his life, as relaxation to landscapes, and which reach a summit of beauty in the "Agostina" in Washington, are among the most serene and subtly-realized canvases known to us.

Theodore Rousseau was a man of small talents, but in his "Auvergne Mountains," a refreshing study in greens, he put them to remarkably effective use. Millet's "The Quarriers," is a forceful example of his abilities.

The French, at times, can be as supremely commonplace as any other people. There is eloquent evidence of this hanging in the current exhibition. Cabanel's "Birth of Venus" was meant to be coyly pagan, and perhaps was considered so in its day, but it is now clearly a bar-room banality. The portrait of "Miss Wolfe" by Cabanel is equally ordinary, only less pretentious. Meissonier's "General and Aide-de Camp" is factual, pictorial reporting of remarkable order, but bears no relation to creative art. The same is true to a slightly lesser degree of Detaille's "French Officer." The large Bougereau "Bathers" is certainly one of his superior works, more substantial and reserved than the simpering gaudy run of his productions.

From the Impressionists, this exhibition has garnered a small but exceedingly rich harvest. Monet's small "In the Café" is a brilliant canvas; it has the same brisk virtuosity of his dazzling "The Bar of the Folies-Bergères" in the Courtauld Collection. Its space composition is as impressive as its technique. Degas' "Carriage at the Races" is a good example of his early experimentation in emulating the compositional characteristics of the camera. The Gauguin Tahitian landscape is one of his major works, and its frozen, harmonic beauty once again brings to mind what an impressive muralist he might have been had he lived in Umbria during the fifteenth century. Renoir's "Bathers with Crab" is a strangely serpentine composition, yet the overall effect is definitely of well-realized solids in motion.

"Boats in Winter Quarters" is representative of Monet's best work, but his enormous "La Japonaise" is simply an overwhelming *faux pas*, both on the part of the exhibition and the artist. The two Forains to be seen are exceptionally good canvases, and may give the casual gallery-goer the impression that this sardonic commentator was a far superior artist than, actually, the bulk of his production reveals.

Lautrec, unfortunately, is represented by only a single, and not very typical, work. But, to partly balance this lack, the three Pissarro's are all important canvases. His "La Côte Du Jallais" is as satisfying as anything in the exhibition: a large, complex canvas of pearl-grays and deep, luminous greens, it is a great classical landscape in the best sense of the term. "Le Pont Boieldieu à Rouen," from the Art Gallery of Toronto's own collection is another important Pissarro painting. "The Peasant's Resting" is a first-rate example of his gently - modelled genre work, and rounds out the trio of pictures which give as complete an idea of the quality and range of Pissarro's art as any three paintings could.

With the Impressionists we shall close this review. They are no longer a controversial issue, even to the most conservative mind. Before this important exhibition closes, we hope to discuss briefly some of the later works which touch more immediately upon our own times and art.

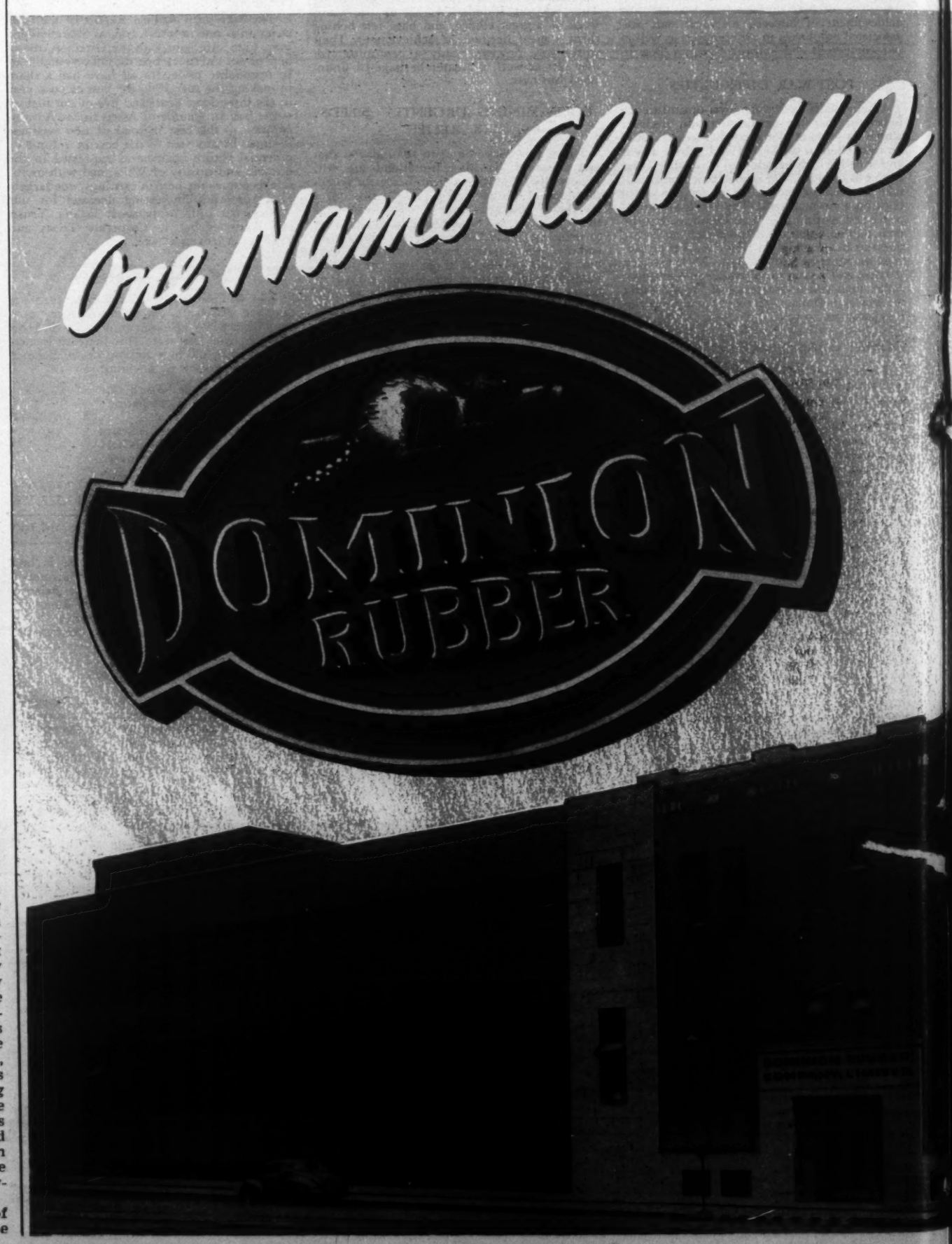
• •

IN HIS OWN COUNTRY

THEY smiled to see him in the market-place,
This neighbor whom the credulous adored,
This native son who thought himself a king
And spoke of victory, but scorned the sword.

They did not know that ere another spring
Should reach the mountains where Judea lay,
He would have set all argument aside
To take them captive by another way.

R. H. GRENVILLE



RECORD REVIEW

Comes Still Another Recording of That Rachmaninoff Concerto

By JOHN L. WATSON

THE SPATE of recordings that flooded the market before the holiday season has dwindled to a post-Christmas trickle. The supply of shellacs and lacquers and all the other mysterious ingredients that go into the manufacture of the black discs is still restricted, and the makers cannot be blamed if they expend most of it during the season which is traditionally associated with hilarious and irresponsible spending. However, there is still a pretty wonderful selection for the discerning collector to choose from; it is the poor reviewer who feels the pinch.

With stocks of materials limited and with so many standard symphonic works crying out for re-recording, one wonders whether the Victor people had any moral right to hit us with yet another recording of the Rachmaninoff C-minor Concerto. We have already had Moiseivitch and Rachmaninoff himself on Victor, Sandor on Columbia and Eugene List on Decca; we have had arrangements for one piano and two pianos and sweet bands and swing bands—we only need Alec Templeton to play it eight-to-the-bar with falsetto obbligato!

On the latest pressing Artur Rubinstein performs with the assistance of the N.B.C. Symphony under Vladimir Golschmann (DM 1075). As a matter of fact, this recording is a timely attempt to cash in on the success of a thoroughly undistinguished film, entitled "I've Always Loved You", in which Mr. Rubinstein plays the Concerto against a backdrop of tortured and inarticulate emotional whoop-de-doo such as only Hollywood can produce.

I seem to recall that, in the advertisements for the film, Rubinstein was billed, with simple directness, as "the world's greatest musician". We have reason to be grateful to the courageous copywriter who thus boldly answers what heretofore has been considered by scholars and critics a fairly controversial question.

Rubinstein is a very good pianist, and a very showy one—a fact which cannot have escaped his Hollywood producers. His performance of the Concerto is extremely fine but not, to my mind, as fine as that of Moiseivitch on the older Victor recording. On the other hand, the new recording is technically superior. Apart from a few fuzzy passages near the end and a disturbing lack of balance in one part of the first movement, the fidelity is excellent and the reproduction clean and resonant.

The Concerto takes up nine sides; the tenth is devoted to a superb performance of the Chopin "Impromptu No. 3 in G Flat".

Maestro Frankie

Readers of the *New Yorker* "Profiles" probably know enough about Frank Sinatra and his frenzied followers to last them a lifetime. They may recall how, at one time in his jet-propelled career, he was challenged by a distinguished conductor to direct a full-size symphony orchestra and how, in the musicians' opinion at least, he made a fairly workmanlike job of it. As permanent evidence of his genius, Columbia have produced an album in which "The Voice" conducts the Columbia String Orchestra in a performance of a new orchestral suite by the American composer, Alec Wilder (D 166). Frankie's conducting seems competent enough by any standard but not nearly as interesting or as important as Mr. Wilder's captivating music.

The Suite is scored for string orchestra, harpsichord and woodwinds. It consists of a "Theme and Variations", a "Slow Dance" and four "Airs", for flute, oboe, bassoon and English horn, respectively. By the composer's own admission the music has no "significance"; it is intended merely to be entertaining and pleasant to listen to—and it is. In the "Theme and Variations" and the "Slow Dance" Mr. Wilder cocks a friendly but irreverent snook in the direction of Tin Pan Alley and succeeds in demonstrating (whether by accident or intent I don't know) the extraordinarily close relationship between the dance forms of the so-called "classical" period and modern jazz or "swing". Apparently nothing more than a little syncopation is required to change a gigue to a fox-trot.

Illustrative Woodwinds

In the four solo "Airs" the composer shows an exceedingly keen appreciation of the capacities of the various woodwind instruments. Music teachers who are not too hidebound might agree that this set could be used to considerable advantage in class-room work.

Opera fans are apt to become mildly delirious over the new Victor album entitled "A Treasury of Grand Opera" which contains favorite selections from seven popular operas. This album (M 1074) is another commercial "tie-in", this time with Henry W. Simon's pretty new book, entitled — oddly enough — "A Treasury of Grand Opera". The album contains one selection from each of the seven operas discussed in the book. Two of the pressings are re-issues, the rest are new. Toscanini conducts the Prelude to Act I of "Lohengrin", one of the Maestro's most dreary performances. Leonard Warren sings the Prologue to "Pagliacci"; Zinka Milanov exhorts her Rhadames with "Ritorna Vincitor" from "Aida"; Gladys Swarthout sings a sultry "Habanera" from "Carmen"; Licia Albanese and Jan Peerce fairly rend the air with "Un di' felice, eterea" from "La Traviata"; James Melton comes through nicely with "Il mio tesoro" from "Don Giovanni"; and the Victor Chorale bellow the "Soldiers' Chorus" from "Faust" with all the exuberance and gusto of the Don Cossacks. They're all war-horses (the songs, not the singers) grown grey and a trifle rickety in the service, but they are magnificently sung and the recording is fine.

While we're talking of operas, I might mention a new recording by Licia Albanese, the up-and-coming soprano star of the Victor roster, which struck me as being a cut above the average. Mme. Albanese sings "Ah! Fors' e Lui" and "Sempre Libera", both from "La Traviata",

William Kapell, brilliant American pianist, who as guest-artist with the T.S.O. last week played Aram Khatchachurian's colorful Concerto.

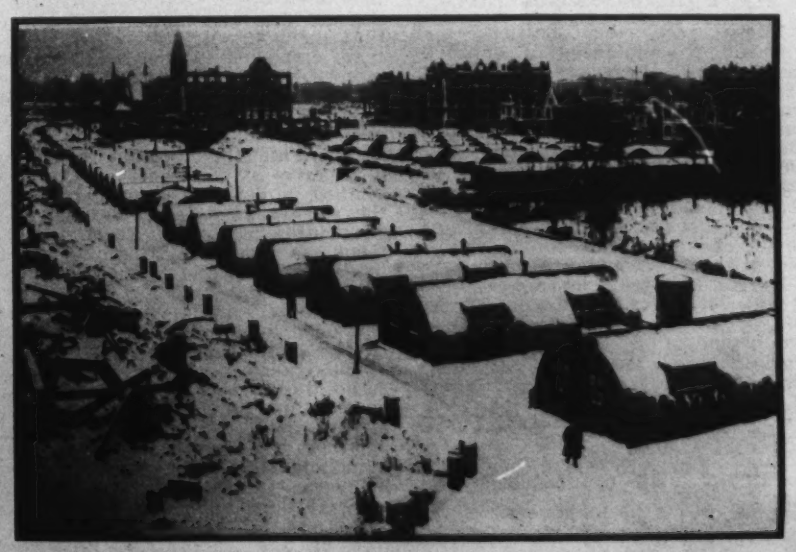
on Victor 11-9331. She has a voice of magnificent brilliance and her singing of Violetta at the Met has been described as nothing short of sensational. For some absurd reason, I can never hear "Sempre Libera" without being reminded of the Walt Disney film in which that aria was sung by an extremely versatile chicken. I confess that Mme. Albanese sings it a great deal better than the chicken did, but the chicken was a great deal funnier.

Victor Herbert Album

If, like several hundred million other people from here to Timbuktu, you dote on the music of Victor Herbert, you should get a good deal of pleasure from the new album of Herbert melodies sung by Dorothy Kirsten with Russ Cases's orchestra (Victor M 1069). The melodies include "Kiss Me Again", "A Kiss in the Dark", "Indian Summer"—and a good deal more of the same. Miss Kirsten has a pleasant but, to my mind, tremendously unexciting voice which she uses to good advantage, I suppose, in these gruesomely pedestrian songs. It is my personal opinion that Victor Herbert and all his works might well be put in cold storage for several centuries but this, of course, is lèse-majesté.

That incredibly vulgar composition, the "Hungarian Rhapsody No. 2" by Franz Liszt, has recently been recorded by Alexander Brailowsky (Victor 11-9330). Mr. B's. interpretation is curiously restrained, not to say "genteel", and for that reason not very inspiring. The recording, however, is remarkably clear.

In "The Jones Laughing Record", by Spike Jones and his boys, a number of people laugh quite uproariously at some very funny joke which, however, is not revealed to the listener. I suppose the idea is that the humor of the situation will communicate itself in some mysterious way to the hearer and promptly make him hysterical with mirth. For some reason it didn't work with me —I merely wanted to smash the record.



Germany has also been suffering from bitterly cold weather during the past few weeks. The above picture gives some idea of the desolation in Hamburg, where, because of extensive bomb damage, large settlements of Nissen huts have been built to overcome the housing shortage. The occupants of these homes have been promised priority as regards coal.

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Individual Enterprise Most Valued of Freedoms

Says Head of Mutual Life of Canada

Warns that Canadians must be on guard to protect the rights of the individual against bureaucratic, authoritarian, monopolistic or subversive influences.

REPORTS A RECORD YEAR FOR MUTUAL LIFE

Cites Life Insurance as valuable means for carrying out the lessons of thrift learned by wartime savings.

Waterloo, Ont., Feb. 6th.

Calling on Mutual Life policyholders to be a bulwark in the defense of personal freedom, Mr. Louis L. Lang, president of the Mutual Life Assurance Company of Canada, at the 77th Annual Meeting of Policyholders, stated that the ability of Life Insurance to continue to serve the Canadian people in the coming years, depends upon the preservation of the rights of the individual to create property and to be protected in its ownership.

Amongst other highlights of 1946 progress, Mr. Lang reported a new peak in the amount of life insurance purchased from the Company by the Canadian public.

Condensed text of M. Lang's address follows:

Canada's Opportunities

Many opportunities will present themselves during this, the second year of reconstruction, which should lead to increased happiness, real security, more settled government, full employment, increased production of goods, expansion of services, reduction in prices, lower taxes and to a more stable and normal economy. It remains to be seen whether these opportunities will be utilized to the best advantage.

Since hostilities ceased in 1945, the victorious powers have had to struggle with the tremendous task of maintaining some semblance of civil order, of minimizing death and suffering from famine and plagues, of encouraging the production of food and other commodities and of restoring the normal trade channels. Much progress has been attained in the general objectives.

Rehabilitation in many of the areas devastated by the war is steadily progressing. Fertile lands which were ravaged are yielding harvests and the supply of food has been greatly increased, although it is still far from adequate. In the majority of countries, most of the people are beginning to support themselves. International finance is linking up with national finance and real international trade is slowly but surely improving. These facts are fundamental to any constructive thinking relating to Canadian affairs because there is no way by which we can separate our country from the far-reaching effects of world conditions and movements.

In spite of the difficulties encountered and mistakes made, 1946 was a year of substantial and encouraging recovery throughout the world.

Wage Increases Deceptive

There were some artificial and misleading semblances of improvement. One of these was the inflation of prices, which was not an indication of prosperity at all as it was caused by keen and often desperate bidding for needed articles which were scarce. There was a great increase in wage rates, which was deceptive because it was accompanied by a decrease in the purchasing power of money, due to the rise in the prices of commodities.

During last year, there were very serious errors of omission. There were great opportunities to increase production of all kinds. The whole world wanted food, building materials, fuel and manufactured goods of all kinds. Unfortunately, when need was so great and universal, production per man per day declined when it should have increased and world production fell far below its capacity.

In 1946, Canada shared with other countries the same opportunities and was exposed to the same failures and disappointments. Nevertheless, no country in the world has fared better in its re-adjustment from war to peace: or has been subjected to less real hardship during the past year. There is no country of our size and population that faces brighter prospects in 1947 than does Canada if she makes use of her opportunities.

Must Meet Changing World Conditions

Canadians must realize that, for better or worse, a form of world government is in action. We are already being affected by its actions and we shall be more involved as its powers increase. We have assumed our share of what has been done to set up and to operate the United Nations Organization. The fact that it is in existence and has made some progress is encouraging. Is it not important that we should continue to take an intelligent interest in this body and to continue to do our part and to pay our share of the expense? We must also be vigilant in our own interests to ensure that Canadian ideals, our way of life and our material welfare are safeguarded.

There are a great many ideas and systems which are being advocated in these disturbed times and, on the whole, probably this is a good thing because it indicates an awareness of international and national problems, but we should avoid the danger of being confused and impeded by a multiplicity of new proposals, organization and procedure. While the most certain thing in the world is change, and we must be prepared to welcome and adapt ourselves to such changes as are expedient, we should also have due regard for the lessons of experience.

Critical Year Ahead

Canadians, in 1947 which will be a critical year, should take a keen and constructive interest in all that concerns the domestic welfare of their own country. The great majority of Canadians continue to believe that the political and economic systems embodied in the British Commonwealth and Empire and the constitution of the United States of America, are the best which the progress of mankind has thus far produced. While their peoples constitute a minority of the whole world, they produce a very large proportion of the world's goods and services, and their influence toward social betterment has permeated all nations and has accelerated the progress of modern civilization.

Foremost among the freedoms cherished by the British and American peoples is the freedom of individual enterprise. If we are to preserve this freedom, all of us must be constantly on guard to protect it against those who would destroy it, whether by bureaucratic authority, monopolistic control, or subversive influence. One cannot condemn too strongly those who exert their financial strength and genius to gain control of the supply of necessary commodities thereby to benefit themselves at the expense of the public, yet it is just as reprehensible for any organization to manipulate the labour of human beings to the temporary advantage of a few, regardless of the curtailment of production at a time of great shortage, of the blighting effect on the national economy and of the hardships imposed, directly or indirectly, on the population generally. Whoever tampers with the principle of free competitive enterprise is working toward the destruction of man's inherent right to provide a higher standard of living and life for himself and his family.

Mutual Life President

Louis L. Lang

President of the Mutual Life of Canada, who addressed the 77th Annual Meeting of policyholders, held at Waterloo, on Thursday, February 6th.

In our own country, the records of governments, municipal, provincial and Dominion, have maintained a high standard relative to that of other countries. Generally speaking, our governmental bodies are trying to do their best for the people whom they represent.

It is encouraging to note the increasing interest in the stores of primary materials which Canada has in such abundance and the activity in their utilization. Everything possible should be done to advance and extend policies of expanding, restoring, preserving and cropping our timber, minerals, productive lands and other resources.

Must Increase Production

Our greatest material opportunity in 1947 is to increase production of all kinds, and particularly industrial production. The output per man per day should increase. If it does increase, the economic and financial position, and, more important still, the social position of the people of Canada will be much better at the end of this year than it is now, and will be more satisfying and permanent than the various panaceas so glibly proposed from time to time.

While it is encouraging to see some signs of practical economy in governmental expenditures, there is still much room for further saving. Unfortunately, the wartime habit of large and careless spending is persisting. Lower taxes are urgently needed but how can governments reduce taxation if constantly urged to spend more money? People do not realize the vast amount of hidden taxes, such as taxes on consumption, direct and indirect, which are in existence and which will continue to be necessary if the present scale of public spending is maintained. Too large a proportion of the earnings of our people is now being diverted into taxes rather than accumulating as savings to be put back into industry, business and agriculture.

There are murmurs of a business depression of varying degrees of intensity during this year. One of the most effective ways to produce a depression is to talk about it and thus create apprehensions which may or may not be well founded. On the other hand, it is wise to watch for storm signals and, while maintaining a constructive attitude, to take precautions to counteract unforeseen events.

There is still an enormous and growing demand for goods and services all over the world. Germany, Japan and Italy are out of the international field, temporarily at least. The goods previously exported by these countries are still needed and Canada has the opportunity of competing for this trade.

Great Opportunity in 1947

Canadians can make 1947 a record production year in industry, mining, lumbering, fishing and in agriculture. This will not be achieved if the slow-down and low production per man theory is followed. It will not be reached if there is a lack of wisdom, enterprise, understanding, and resolution on the part of management.

In the uncertainties which confront us it is remarkable that, in common with life insurance companies generally, our Company's issue of new life insurance should have expanded to so large a total of $105,000,000. I believe several reasons for this increase in the sale of new insurance can be advanced. With a scarcity of the things used in daily living for which the people normally spend most of their incomes, the high earnings of present days, despite high taxes, have given many people the means to buy life insurance. That more people should be using a larger part of their income to buy insurance is evidence of their desire for this form of security, and is a mark of confidence in life insurance companies generally; and since such purchases remove spending money from the market for consumer's goods and services, it relieves to this extent the pressure on prices and is accordingly a movement to be encouraged in the general interest to our economy.

The volume of new Mutual Life sales in 1946, almost entirely Canadian, established a new high far exceeding any previous total. The efforts of the Government during the war years through War Savings and Victory Loans undoubtedly have engendered a greater appreciation of the benefits of systematic saving. The advantage of systematic saving has been promoted continuously by the life insurance industry. Life insurance, however, must be sold, and the outstanding accomplishment of the past year is a tribute to the aggressiveness and efficiency of our sales force. With vigorous, well-trained salesmen—and I am satisfied that we have never possessed a better sales force—the outlook for new production is indeed encouraging.

While one can be sanguine with respect to sales prospects, other phases of the Company's operations, particularly in the investment field, are not without complex problems.

Insurance Funds Invested In The National Interest

The safety of policyholders' funds has always been the cornerstone of the Company's investment policy. Coupled with this has been not only the endeavour to earn the highest rate of interest consistent with that objective, but also to direct our investments into channels which will be most beneficial to the national well-being. In pursuance of this policy, during the war years our resources were freely loaned to the Government through large purchases of each successive Victory Loan.

With the cessation of new financing by the Dominion, the bond market in the early part of the year was characterized by refunding issues of Municipalities and Corporations. As this financing represented only the replacement of a high-interest obligation by one yielding a lower rate, the net effect was that of contributing to a further lowering of the average net rate of interest on our total investment. Toward the latter part of the year these refundings were supplemented by securities issued for new money purposes by Provincial Governments, Municipalities and Corporations. This trend is continuing into the current year, and should result in a greater diversification of securities being made available to investors, both institutional and private. While there may be some indication that interest rates on high-grade investments may not decrease further, unless there is a marked upward trend, further reductions in the Company's average interest rate may be expected.

Aids Building Progress

The policy followed during the past seven years has resulted in the accumulation of the highest quality investment available in our country. With our substantial back-log of Dominion Government bonds, about 60% of total assets, three times the proportion prior to the war, we are in a strong position to seek other channels for the investment of our funds from which we can reasonably expect to obtain an increased rate of return. In fact, it has become imperative to re-examine all available outlets for investment with a view to effecting the best possible combination of the three fundamental principles which I have mentioned.

In view of the serious housing situation which prevails throughout all parts of Canada, we have largely extended our facilities for the financing of new construction under the National Housing Act, and of both new and old housing through the usual Company channels. During the past year our field of operations has been expanded considerably and we have been of service to a large number of Canadians seeking to establish new homes.

Despite many obstacles, Housing Enterprises of Canada Limited, the co-operative company formed by the life insurance companies operating in Canada at the request of the Government, has already made substantial progress in providing much needed rental housing.

Individual Security A Necessity

Our ability to continue, as an institution, to serve the people of Canada in the next seventy-seven years to the same, or greater extent, than we have in the past depends first upon the preservation of our national sovereignty and then upon the preservation of the rights of individuals to create property and to be protected in its ownership. That these will remain unimpaired I am firmly convinced and I know we can count on Mutual Life policyholders to be a major bulwark of strength in their defence.

We must strive to adjust the operations of our Company to the highest purposes of life, and in so doing we must depend upon the whole-hearted support and strength and understanding, not only of our great body of policyholders and their families, but the public as well.

Happiness has many roots but none is more important than true security. To serve the individual and the public at large in their quest for security, your Directors stand responsible on the highest plane of trusteeship, and the accounting which they present from year to year in terms of benefits rendered and financial stability speaks eloquently of the high sense of stewardship which actuates those responsible for the success of our great co-operative institution.

REVIEW OF MUTUAL LIFE BUSINESS BY GENERAL MANAGER

Analyzes Assets and Sales

Mr. W. H. Somerville, Vice-President and General Manager, when reviewing the Balance Sheet, pointed out that the Assets of the Company had increased during 1946 by $17,232,600 to a total of $286,792,678. Bonds comprise 76.5% of the total assets. The Bond Account totals $219,521,537, an increase of $13,562,719 over 1945. Dominion of Canada Direct and Guaranteed Debentures increased during the year by $16,875,738 to a total of $169,681,138 and represent 59.2% of the total assets. The Provincial and Municipal Bonds of $30,714,203 comprise 10.7% of total assets and Public Utility and Other Bonds at $19,126,196, comprise 6.67% of the total assets.

Mortgages and Sales Agreements at $32,332,117 are higher by $2,132,369 and are 11.2% of the total assets. They consist of $24,123,503 on the security of city properties, $2,000,119 on farm properties and $6,208,493 on homes built under the provisions of the National Housing Acts.

Loans to Policyholders on the security of their policies, at $17,817,908, are 6.21%, of the total assets. They decreased during the year by $437,509.

The total book value of Preferred and Common Stocks is $7,503,386 which is 2.62% of the total assets.

Income

Mr. Somerville reported that the total income of $36,156,737 during 1946 was made up of $25,620,475 from Premiums and Consideration for Annuities and $10,536,262 from Interest, Dividends and Rents.

Rate of Interest

The Rate of Interest earned in 1946, was 3.96%, a reduction of .31% from the 1945 rate.

(Continued on Next Page)

(*Continued from Page 24*)

Death Claims

The actual incurred claims less the reserves held thereon for the purpose of meeting them were $2,732,581, which is more than $250,000 less than the corresponding strain experienced during 1945. The associated diseases of the heart, blood vessels and kidneys accounted for more than 50% of the face amount of insurance death claims paid. The second most important cause was cancer, which accounted for 14% of the civilian claims, followed by accidents at 4% and tuberculosis and pneumonia at slightly over 2% each.

Surplus Earnings

The Surplus Earnings for 1946, $5,500,426, were $40,376 more than in 1945, and $183,750 greater than those of 1944.

Reserves

The Unassigned Contingency Fund and General Investment Reserve aggregated $15,915,473, being 5.55% of Total Assets.

Amounts On Deposit

Policy Proceeds, Dividends and Other Amounts on Deposit with the Company total $42,162,148. This is an increase of $4,385,013 over 1945.

Change In Basis Proposed

Referring to the new business for the year of $105,000,000, it was pointed out that a chart of the Ordinary Business paid for from the end of 1914 to the end of 1946 indicated that the pattern of production during and following the first World War was being repeated; and if the pattern of the chart follows into the future, a temporary decline in new production might result.

The course of interest rates from the commencement of business in 1870 up to the present time was outlined, and it was pointed out that with the interest earning rate now reduced to 3.96%, and with the investment market characterized by the refunding of bond obligations at lower interest rates, the spread between the interest earned and the interest required to be earned to meet policy obligations was narrower than in any previous period. It was obviously inimical to the interests of the existing body of policyholders to continue to issue a large volume of new business at premium rates which require the investment of funds at a higher yield than can be justified by the present outlook. Accordingly, the Company proposed at an early date to meet the situation by changing to 2½% as a proper assumption for the calculation of premiums and values, not because interest rates are expected to drop to this figure, but because if earning rates on investments remain at the current level or were to drop somewhat lower, the earning rate of 2½% to be presumed may be expected to provide an adequate working margin. Since the net cost of insurance to policyholders in a mutual life insurance company is not governed by the gross premium but by the actual interest earnings, the mortality experience and the administrative efficiency of the company, there was no reason to believe that the Company's ability to continue in a leading position with respect to low net cost will be disturbed by the proposed change in basis.

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THE BOOKSHELF

CONDUCTED BY HERBERT McMANUS

If the Dream Becomes a Nightmare A Dream House Isn't Much Fun

MR. BLANDINGS BUILDS HIS DREAM HOUSE, by Eric Hodgins. (Musson, $3.00)

"LOOK," said Lawyer Bill Cole. "Every time you get a little tight, you weep on my shoulder about what a terrible thing the advertising-agency business is for a sensitive soul like yourself because you make your living out of bamboozling the American public. I would say that a small part of this victimized group has now redressed the balance."

He was talking to Mr. Blandings and his last sentence was a miracle of understatement. From the moment that Mr. and Mrs. Blandings first spotted the old Hackett place on the top of Bald mountain until many, many months and $56,000 later the dream house stood completed, this anguished tale leaves out no horror. For Mr. Blandings, the New Yorker who ventured into the picturesque land of simple country folk, not only had his hide nailed to the fence, but in the process was flayed piecemeal and thoroughly tanned in the bargain. For those who, like Mr. Blandings, have been over the jumps the story will be as heart-warming as a cry for help on a dark night. For the others whose plans of that country house are still in the dream stage the book will have all the fascination of a frozen smile.

Beautiful but Numb

No one, of course, could possibly be as stupid as Mr. Blandings. That is exactly what *you* will say when you read this book. But there is something in the mystic spell of owning a piece of land and building a home upon it that breaks down the hardest mental tissue and delivers the blissful victim as a babe to the ravening of lawyer, banker, contractor and all their sundry lesser minions. Under the anaesthetic of enthusiasm nothing hurts—at first. But the subsequent pain, to pocketbook and ego, is a thing of terror to cause its victim to awake screaming in the night. Little wonder that when finally Mr. Blandings was ensconced in the finished dream house, he slept, happily dreaming that the place was burning down. But for the reader, unbitten by the bug of building, Eric Hodgins has written one of the funniest books of the year. And for the others, in whom the dream of that place in the country still persists, at least they will not be able to say that they have not been solemnly warned. All the pitfalls, seemingly every last possible one, are there, blueprinted and documented in full.

A Slicker in Trespass

The personalities, from Mrs. Prutty of the local historical society to Mr. Tesander, the well-driller, who people Mr. Blandings' nightmare, add flesh and blood to the narrative. But Mr. Blandings of New York never became part of the picture in the country of his chosen home. Sadly he reflected that, "He could wear overalls, or dress in mail-order clothes, or part his hair in the middle, until kingdom come, and it would make no difference. He could live in a cow barn until all the perfumes of Araby were powerless to lighten the smell of wet leaves and manure, but the natives would still know him for an alien, forever. He would still be a City Man on masquerade, a slicker taken in trespass". And so deep did this pervading psychosis become that never could Mr. Blandings visit the local store without his request for a Coca-Cola being "as hoarse and tremulous as if he were asking for absinthe before breakfast".

Eric Hodgins' book is as expertly technical as it is hilariously amusing and is somehow faintly autobiographical. A top-flight editor and writer—he was formerly editorial vice-president of *Time, Inc.* and will return to *Fortune* from his current writing "holiday"—he was also able to call upon his friends of the *Architectural Forum* for help in avoiding professional error. This background, coupled with the hard modern drive of his own writing, gives "Mr. Blandings" a setting that is right in every detail. People who like William Steig will naturally appreciate the cartoon illustrations which he has provided; others will feel that they add little to the book. "Mr. Blandings" is already a best-seller in the fiction list but somehow his tortured character seems too real to merit that classification.

Up-and-Down Pictures

SNOW ON THE HILLS, by F. S. Smythe. (Macmillans, $5.50)

NO MORE encouraging sign that peace has actually broken out is the reappearance of those luxurious volumes devoted to the art of the photographer. Invariably beautifully produced (as is this one despite a slight air of English austerity) they are, however, strikingly variable as to quality of subject matter; this is one of the good ones. Frank Smythe is almost as well known for his mountaineering exploits as he is for his deft employment of the lens and in this volume he achieves a happy intermarriage of both. The photographs range from the quiet hills of England and Scotland, through the Alps and the Canadian Rockies to that majestic roof of the world, the Himalayas. Mount Robson is given pride of place in the Canadian section and the photographer's examination of the vertical sweep yet marked striation of this peak adds a new and imposing note to the pictorial record.

Forty-seven plates from the author's photographs enrich the volume. For all lovers of the winter scene his introductory chapter deals with the beauty of snow; for those thousands of keen amateur photographers, the second chapter recounts the more technical details and difficulties of photographing it. For each photograph in the book, the author has provided on the facing page, graphic notes which convey his own feeling for, and appreciation of, the scene.

Back of Beyond

RITUAL: PSYCHOANALYTIC STUDIES, by Theodor Reik. (Oxford, $5.50)

IN THE YEARS prior to 1939 there was a growing output of volumes devoted to psychoanalysis, and an interest which was spreading to the lecture platform and to an ever-widening circle of discussion. During the war years the more practical psychiatrist (the well-known "sky-high-artist" of the Services) came into his own and the adaptation of theories to selection of personnel was widespread. Now popularity, for good or bad, may once more be on the increase, and if so the makers of books stand ready to meet the demand.

Reik is described as a "favored student" of the late, great Sigmund Freud, and this volume, the first of a series to be devoted to the psychological problems of religion, is completely equipped with a preface by the master himself. Carrying on in the Freudian manner and method, the "legitimate heir" here deals with ritual in four differing aspects: The Couvade or fear of retaliation; the puberty rites of savages; the Kol Nidre and the Shofar. While the scholarship and extensive historical research consequent upon such examinations is stimulating, there is also somewhat of the inevitable relationship to the problems of people of today, for example "some parallels between the mental life of savages and neurotics."

Into the gap occasioned by the death of Freud in 1939, Theodor Reik now steps competently and confidently to carry on the great tradition. A Viennese by birth he now practices psychoanalysis in New York City. Portions of this book were originally written as long ago as 1914; the current translation by Douglas Bryan, M.R.C.S., L.R.C.P. is from a later German edition. As an indication of its standing in the psychoanalysis field, Reik's work bears the endorsation, not only of Freud himself, but of Einstein and Thomas Mann.

FOR THE RECORD

Exploring Britain By Car, by Mercy E. McCulloch. (Ryerson, $1.50). This trip was made in 1920 and the "war damage" encountered is that of the 1914-1918 vintage.

About This Earth, by F. Kingdon Ward. (Clarke, Irwin, $2.25). Another eminent geographer tells the story of the world which makes the men who live in it.

Fisherman's Paradise, by Jack Hambleton. (Longmans, Green, $3.00). A correspondent who loves fishing and the North Country tells how to enjoy both.

Make Your Life Worth While, by Emmet Fox. (Musson, $2.25). A preacher who has discovered the secret of successful living passes it along.

Balzac, a biography by Stefan Zweig. (Macmillans, $4.50). The last and unfinished work by the European writer who found today's world too much for him.

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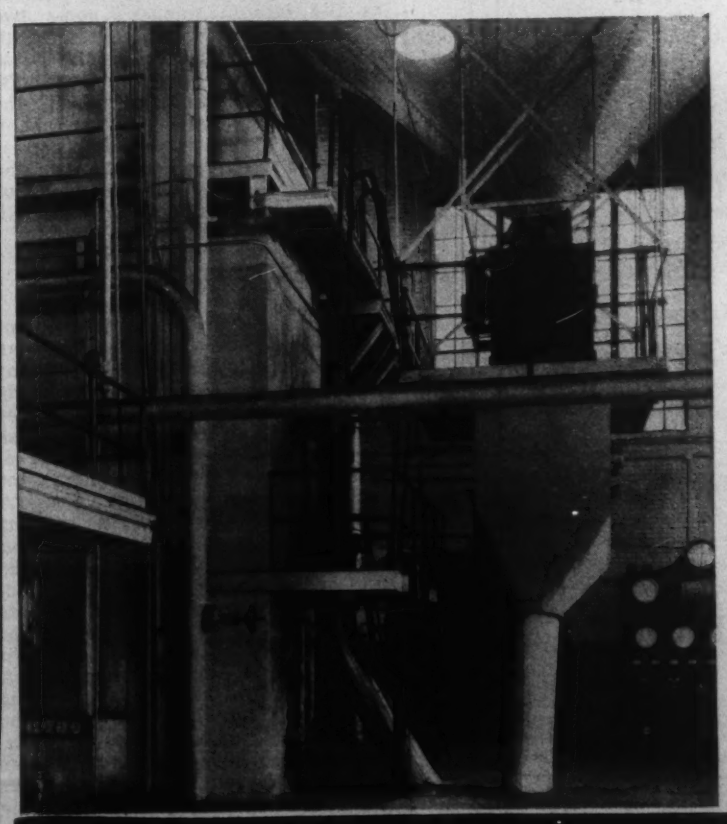

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BOOKS ON WORLD AFFAIRS

Timely Books on Spain and China and a Memoir of the Early West

By WILLSON WOODSIDE

AMBASSADOR ON SPECIAL MISSION, by Sir Samuel Hoare. (Collins, $4.50)
THUNDER OUT OF CHINA, by White and Jacoby. (McLeod, $3.50)
AFTER HITLER, STALIN?, by Robert Ingrim. (Bruce, $3.00)
I REMEMBER, by W. A. Griesbach. (Ryerson, $4.50)

WHEN Sir Samuel Hoare left for Spain, just as the Dunkirk evacuation was beginning, on a mission which Lord Halifax judged might last several weeks, he was advised to keep his plane waiting at the Madrid airport in case of the need for a sudden departure. The Germans were thought to be close on his heels. Chamberlain had doubted if he would get there, or if he got there, whether he would get away again.

But he and Lady Hoare decided to take a house, unpack their trunks, send the plane back, and make a good show of British unconcern. The house was next door to that of the German ambassador and Hoare, being straight from the British war cabinet with all its secrets still vivid in his mind, was an obvious subject for kidnapping by the German agents with which the city teemed. So he kept a loaded automatic by him day and night. (He had been chief of the British Secret Service in Russia in Rasputin's day). Night after night in June he was roused to be told that the Germans had actually crossed the Pyrenees.

That sets the tone of the first part of the book. As he says with masterly understatement, it would be hard to imagine a more unpropitious start to a mission. "Neither Job nor Pharaoh had suffered a more continuous series of misfortunes" than the British cause did that summer.

Yet within ten days he reported to London his conviction that the anti-war feeling in Spain was wide and deep, and within twenty days his feeling that he was making himself the centre of the movement against Spanish entry into the war.

As he sized up the situation at once, Spain was on the verge of famine and the most valuable thing Britain could do was to set about relieving it, forgetting for the present all recriminations about the Civil War. So he concentrated on this.

By July 24 he had his trade agreement, and was reporting to the cabinet that it would be a mistake to assume that Spain would go the way of Italy, because Mussolini had wanted to get into the war and Franco definitely wished to keep out. He was sure Spain would sit on the fence until she saw how the invasion of Britain and possibly of Egypt went. More and more Spaniards were willing to be seen in his company.

Understanding Beigbeder

It was with Beigbeder that he did his work. From the first interview they understood each other, both detesting German tyranny and all the evil associations of a police state. And Beigbeder had a saying that "the British bull cannot be counted dead until the *corrida* is over."

After Beigbeder's fall Hoare had to deal with Suner, the Falange leader, most pro-German, most pro-war and most detestable of all the Spanish figures. It was undoubtedly a lucky stroke for Hoare and for Britain that Suner did not secure the foreign ministry until after the German tide had smashed against the shores of Britain. Suner had accepted Hitler's invitation to a cocktail party in London, September 15, and when he went to Berlin instead, Beigbeder counselled that a sympathetic statement as to British relations with Spain was needed to counter the German promises of Gibraltar and French Morocco.

A few days later Churchill said in Commons: "Far be it from us to lap Spain and her economic needs in the compass of our blockade . . . British interests and British policy are based on nothing but the independence and unity of Spain."

Life and Death Diplomacy

Criticism of the British leader for such expressions might well be reconsidered in the light of our position at that time and the stakes being played for. Roosevelt escaped such criticism by making his intervention by private letter. But he too sent a friendly message to General Franco in February, 1941, promised supplies. This was a diplomacy of life and death.

There can be no suspicion that Hoare himself at any time during his mission thought favorably of Franco. From the excerpts which he gives from his letters and dispatches it seems unlikely that he will get a visa to Spain again during Franco's tenure. Hoare speaks of the "cotton-wool entanglements of Franco's amazing complacency", of Franco's conviction that he was infallible, of his cunning and cautious hesitation. To carry on any running conversation with him, any exchange of ideas, or of questions and answers, was quite impossible.

Hoare believed then and now that Franco definitely wanted an Axis victory, *but not an overwhelming one*. He didn't want to get into any heavy fighting, but wanted things which he could only get through a German victory: Gibraltar and Morocco. But he knew that Germany and Italy wanted these too, and he wasn't at all sure that they would deliver them to him. Hitler's interview with Franco on the Spanish frontier in October, 1940, failed because the German leader would not even discuss the Spanish claims until Franco had joined actively in the war.

By this time Spanish Anglophobia was passing and xenophobia, directed particularly at the Germans, with their heavy-handed intervention and the arrogance of their officers and troops on leave, had taken its place. And fortunately Suner was relieved of the foreign ministry some two months before the landing in North Africa, being replaced by the "wise and moderate" non-interventionist Jordana. This again helped the Allies through a delicate moment, when the whole success of this great operation depended on whether the Spaniards would open fire upon our single available aerodrome at Gibraltar.

Able Ambassador

There is much, much more in this book, which is a far better one than I had expected. There are many stories of the German activities in Spain, descriptions of the "incredibly inefficient" processes of Spanish Government, tales of the rescue of thousands of British soldiers and officers passing through Franco's prisons, as well as of an amazing number of European allies posing as "most unlikely" French Canadians; and hence getting British protection!

I read half-way through before remembering my former strong dislike for the author who describes himself as "a liberal among conservatives and a conservative among liberals." At any rate, he can stand on his record as an able ambassador in a critical place, at a desperate moment. He sums up the Spaniards as "incredibly irresponsible, having no leaders, and almost anarchic in the wildness of their action."

Thunder Out of China is a heated and violent book by two *Time* Magazine correspondents, seething with contempt of Chiang Kai-shek as a reactionary more interested in maintaining a moribund and vicious dictatorship over his people than in fighting the Japanese, and with anger against American policy which, fighting a purely technical war, "cut blindly across the course of the greatest revolution in the history of mankind."

It is not out and out pro-Communist, but the few blunt things which it has to say about the Chinese Communists are pale besides its excoriation of the Kuomintang. As a fair sample of this it says that the fish-wife adjectives which the Communists applied to the Kuomintang "almost" brought one to sympathize with it sometimes; its only faults being that "its leadership was corrupt, its secret police merciless, its promises lies, and its daily diet the blood and tears of the people of China."

Confusing Statements

Worse than its violence is the confusion in this book. For in another place it says that the "vast majority" of Kuomintang members are decent people anxious for reform. And while endlessly blasting Chiang for his unwillingness to make further concessions to the Chinese Communists, it admits that within seven years the latter had expanded the area which they dominated from

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Though the Communists "would never give up" their own area, the authors have only invective for Chiang for not allowing them to share in the government of all of the rest of the country. General Marshall shared the blame more equitably between the two extreme factions, in his recent report on China.

Again, in excoriating mercilessly the blunders of American policy, the authors seem to overestimate greatly the extent to which Americans, rather than Chinese, could bring about the reform so glaringly needed in China. And they argue naively that the policy which failed so completely with Tito would have succeeded with Yenan.

Winning Over Communists?

Had America courted, supplied and strengthened the Communists, and proven to them that she stood for progress, the writers hold out the belief that we might have won them away from Stalin, though for twenty years they "had been linked by a rigid formula to exclusive support of the Soviet Union."

Their lost dream is the American failure to press the Stilwell policy through to the limit in the supreme crisis of China's war, in the fall of 1944. Had Stilwell been a Chinese, he might have been just the man the country needed for its reform. But he was a foreigner. And White and Jacoby admit that his proposals were contained in "the harshest document that had been delivered to Chiang in three years of alliance, containing an untempered demand for immediate and sweeping reform and action"—under the direction of Stilwell as Supreme Commander of all armies in China.

The admission that the note "was not intended to be diplomatic," its language being "as startling as a bucket of cold water" and "an affront" which turned Chiang's face white with an incandescent anger, seems a rather naive explanation of why it failed in its purpose.

But did the reform of China hang on the success of such an ultimatum? Does the path to a freer and better China lie through compromise with the Communists? Was the American policy of supporting the reassertion of National Government sovereignty over much of North China and Manchuria so mistaken and damnable?

The authors admit that if the United States were to withdraw unilaterally from China the Communists "may control the whole country within ten years' time." And was American policy, too, responsible for the harsh treaty which the Soviets forced on China in 1945 and for the Soviet "blunder" (which receives a whole line) in looting Manchuria?

Whom to Blame?

It seems that a happy solution in China, which all men of good will must wish for, depends on at least a minimum of confidence between the two main Chinese factions, and some common objectives of Soviet and American policy in that country. Lacking the latter, it seems unreasonable and unjust to place all of the blame on Chiang for the internal failure, and all the blame in foreign intervention on the power which aided and supplied China during and after the war, and none on the power which sent no aid in her crisis, but only looted her industrial resources afterwards. There is little help for China in this violent and confused outpouring.

After Hitler, Stalin? takes a very wide cut at the European problem and the problem of peace between the West and Russia, and pulls it off. With an immense amount of work, closely knit together by excellent writing and good journalistic sense, the former editor of the refugee bulletin *Voice of Austria* has produced a *tour de force*.

It is not necessary to agree with everything in this book. Certainly it displays some minor prejudices against the Czechs and Serbs. But perhaps the best thing that can be said about it is that it picks so clear-sightedly and so fearlessly at the strong and weak points of many states and systems that no confirmed British, Canadian, American, German, Austrian, Polish or other nationalist could read it through without anger.

Here is much wisdom, a great deal of common sense and a vast amount of information on Europe's past development, a most worthwhile treatise for anyone seeking a deeper understanding of the fundamentals of modern politics. There are few writers of European affairs who can not learn something from it and none who will not be stirred to a bit of useful thinking.

Ingrim's main effort is to show how the rampant disease of nationalism, beginning with Jacobinism and belatedly and disastrously encouraged by Woodrow Wilson, has torn Europe to pieces. He concludes by showing how the Casablanca policy of Unconditional Surrender led to the too-complete destruction of Germany, and with our Yalta and Potsdam concessions made Russia the heir to German power in Europe and Japanese power in Asia. "This," he remarks drily, "could not have been the intention of Britain and the United States."

His conclusions appeal all the more because for some time they have been my own: that British-American solidarity is the main hope for peace in the world, and that "political freedom for the Russian people at home is now the main condition of freedom for all nations."

Canadiana

I Remember is a book which anyone will want to add to their shelf of Canadiana. Is it not almost sufficient to say of it, that the writer's father signed on as regimental "Number One" with the R.N.W.M.P. when it was formed in 1873; that he was born on the prairies in an Indian tepee, weaned on dried buffalo meat, and raised in an Indian "moss-bag" with a board in it; and that he saw the whole building of the West, fought in the Dominion's three wars and lived to become a Senator?

General Griesbach has added a great deal to his book by including in it what are properly his father's memoirs of the early days on the plains. Thus one learns that the red coat was chosen for the Mounties because the Indians recognized in the red uniforms of the British troops which had been stationed in the Red River Valley the color of authority.

One finds a remarkable quotation from a speech by the great Black Foot chief Crow Foot, in 1877, urging his people to accept the treaty offered by the Dominion Government. "Looking like a Roman Senator" and talking rather like one, this man whom most of us would think of as a "primitive savage" said: "In a little while Crow Foot will leave you. Whither, he cannot say. From nothing we come, into nothing we go. What is life? It is as the flash of the firefly in the summer night. It is as the breath of the buffalo on a winter's day. It is as a little shadow which runs across the grass and is lost in the sunset."

When Griesbach gets into his own story it is of a young man growing up in Edmonton, going off to the South African War, coming back and plunging into politics. The narrative is larded with innumerable hearty stories and salted with the solid commonsense of a man who took a great enjoyment out of life. Between these covers is a large and crunchy slice of the history of our West, heartily lived and vividly recounted.

FOR THE RECORD

Soviet Philosophy, by John Somerville (McLeod, $4.75) appears to me to be a completely sterile book. It may be, as it claims the "pure" scholarship of an academic. Certainly it is something of a feat to spend two years in Soviet Russia making a record of what the Soviets preach, without expressing either criticism or doubt, or connecting it with their practice in actual life. The claim is less impressive when one comes to the author's admission that in the Soviet Union philosophy is not looked upon as a purely theoretical enterprise but as a living instrument with a part to play in building new life.

The Brereton Diaries, by General Lewis Brereton (McClelland and Stewart, $4.50) is one for the libraries of students of the recent war, though perhaps for the second shelf. The General believed correspondents to be necessary in modern war, but couldn't help but recall, in the melee of Normandy, what General Sherman once wrote about them.

To Please a General

Said Sherman, during the Civil War. "Newspaper correspondents with an army, as a rule, are mischievous. They are the world's gossips, pick up and retail the camp's scandal, and gradually drift to the headquarters of some general, who finds it easier to make a reputation at home than with his own corps or division.... Moreover they are always bound to see facts colored by the partisan or political controversies of the day, which are always mischievous and wrong." Reads like a review of Ingersoll's *Top Secret!*

Hitler's Professors, by Max Weinrich (Yiddish Scientific Inst.) is a closely documented account of the part which a slavish scholarship played in Germany's crimes against the Jewish people. A thorough and ugly story.

Contemporary Foreign Governments, by Beukema and Geer (Oxford, $5.00) is a textbook on major foreign governments prepared for the students of West Point. It thus provides the basic equipment of young American officers on occupation duty and in the diplomatic service.

Lt. Henry E. Hester of the U.S. Army Air Forces All-Weather Flying Division is shown testing radar scopes he is installing at National Airport, Washington, which will give traffic controllers a picture of the air area within 100 to 200 miles of the runways. In the background, a civilian engineer tests part of the control board of this million-dollar system.

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MUSICAL EVENTS

Soviet Concerto Is Exciting but Bach's Brandenburg a Favorite

By JOHN H. YOCOM

A YOUNG American piano virtuoso gave T.S.O. subscription concert-goers last week the most exciting concerto music that they can expect to hear this season or any other. The artist was William Kapell, still in his twenties, and the concerto was Soviet composer Aram Khatchachurian's new one. Kapell threw himself at it with all the zest and unabashed revelling in virtuosic opportunities that one could ask for; the orchestra, too, was in the best of fettle, and Sir Ernest's determination to put it through its paces was undiminished. But we were not so sure that there was real stuff in the music itself.

Of Kapell's ability to get effect with accuracy—at times he simply could not have played any faster or louder—we have no doubt, and of the freshness and vigor of the vivid work the audience was evidently convinced for the applause was considerable. A single hearing, of course, is wholly insufficient to penetrate a score so strange—and some listeners might have found it even repellent in its outward aspects—but we suspect this is the type of concerto that will wear thinner with each hearing. Like so many of his Soviet fellow-composers, Khatchachurian relies heavily on percussive rhythms, bold syncopations, even elaborate boogie patterns, to hold the listeners' attention—a mannerism, by the way, which reminds one of the relentless selling methods of American radio.

Still many hearings would be necessary to clarify the sense of its singular and perturbing idiom and that reveals itself more and more as repetitious and unresourcefully reliant upon the reiteration of rhythmic and harmonic clichés of near-Eastern flavor. These stem, of course, from the composer's Armenian musical background. The piano part is technically Listzian with some impassioned soaring effects to parts of it and some folk-like lyricism in the second movement. The latter suggests that Khatchachurian was not, in the words of the *New Yorker*, "entirely preoccupied with hammers and turbines."

Nevertheless, Kapell is literally making big noise these days with this concerto and the Toronto audience was fortunate, in a news sense if not aesthetically, in being exposed to it. The pianist has played it with the Boston Symphony under Koussevitzky in New York, Brooklyn and New Haven. R.C.A. Victor made a record of it and advertised the fact in a full page of last week's *Life*. Such showmanship puts Kapell before the public, although the vehicle is perhaps not a great test of the artist's true capacities, excepting of course technical agility. He is an unqualifiedly capable pianist and the future likely will be even shinier than the bright present. Before he was 20 he had won three nationally important musical awards and already he has appeared with five major symphonies and has made two extensive U.S. concert tours and one in South America. During air flights for the latter he kept fingers and wrists nimble on a 16-pound, 3-octave practice keyboard.

Intimate Presentation

But tops in orchestral exhilaration on the program was Bach's "Brandenburg Concerto No. 6", played with 22 instruments of which the violas in place of violins took the leading role. Bach used the principle of the "Concerto Grosso", with a small group of instruments (the "concertino"), but he improved upon it and gave the form a new individuality. The sixth begins with a swinging "canon in unison", one part imitating at a beat distance the motive just played by another part and so continuing throughout the movement. Deep in meaning and elaborate in part-writing, the slow movement has four separate and eloquent lines. The finale is Bach's laughter. The T.S.O. achieved a major effect in reducing the size of Massey Hall to that of a drawing room so that every listener had absolute instrumental music presented to him in complete intimacy. Other numbers, played with customary competence if not with Soviet stimulation nor Brandenburg beauty, were Delius's "Brigg Fair" and Haydn's Symphony No. 88 in G major.

Paul Scherman, T.S.O. first violinist and one of the better-known of Canada's young conductors, especially on radio programs, conducted at last week's Pop concert. Although the light character of the number somewhat restricted conducting demands, Scherman demonstrated as clearly as he did last summer with the Philharmonic a capacity for ensemble leadership, a sense of dynamics and orchestral tone color potential, and a sensitiveness to variation. French Canadian composer Cusson's "Petite Suite" had an unpretentious charm in sections of contrasting moods. Thomas L. Thomas, Welsh-born radio star, pleased with the "Non Piu Andrai" aria from "Figaro", Schubert's "Ave Maria" and a group of songs and a generous number of encores with his accompanist Jacob Hanneman.

The fourth annual Kiwanis music festival in Toronto Feb. 24 to March 8 promises to be even a bigger event than that of last year. The sponsoring five Kiwanis Clubs anticipate over 3000 entries for the events with over 15,000 participants competing

Simone Flibotte, brilliant young Montreal mezzo-soprano and radio artist, will appear with Toronto's Mendelssohn Choir at Massey Hall, Feb. 20, when the choir, under Sir Ernest MacMillan, gives its first all-choral concert in eleven years.

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Robert Graham, brilliant violinist and fifth year medical student at the University of Toronto, who this week played the Sibelius concerto with the Duluth Symphony Orchestra. Tauno Hannikainen conducted the orchestra.

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Not in eleven years has the Mendelssohn Choir offered Toronto concert-goers a program of the type to be given at Massey Hall, Thurs., Feb. 20. It will be an entirely all-choral concert conducted by the choir's permanent director, Sir Ernest MacMillan, with Simone Flibotte, sensational Montreal mezzo-soprano as assisting artist.

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(MGM Star of "Holiday In Mexico")

Columbia Album J93

Jane Powell has recorded four of the songs she sang so successfully in the MGM picture "Holiday In Mexico". They are Schubert's "Ave Maria", Delibes' "Les-Filles de Cadiz", Herbert's "Italian Street Song" and Marcotte's "I Think of You". The fresh young soprano voice has suitable backing from an orchestra conducted by Carmen Dragon ($3.00).

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Set J92—($3.00)—Darius Milhaud conducts the New York Philharmonic in his new "Suite Francaise" based on the folk melodies of Normandie, Bretagne, Isle-de-France, Alsace-Lorraine and Provence.

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Set D171—($5.00)—Ten Chopin favourites: 4 Etudes, including the "Black Key" and "Revolutionary"; 2 Nocturnes; 2 Waltzes; the Berceuse in D Flat Major, and the "Military" Polonaise, comprise this latest album by one of today's favourite pianists.

Benny Goodman Plays Brahms

Set D170—($4.00)—Brahms' Sonata No. 2 in E-Flat Major for Clarinet and piano receives expert handling from Benny Goodman (clarinet) and Nadia Reisenberg (piano). This is a lovely sonata and the musicianship and recording are first class.

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THE FILM PARADE

Poison-Your-Loved-One Trend in the Current Cinema

By MARY LOWREY ROSS

PRODUCERS and screen authors seem to have been sitting up nights lately studying their pharmacopoeias, with the result that unwanted husbands and wives have been wilting like flies all over the screen. In "Temptation" Merle Oberon fed arsenic to George Brent, but did it in such cautious doses that she killed the plot long before the treatment took effect on her victim. In "Notorious" Claude Rains uses the same method on Ingrid with much the same results. Margaret Lockwood in "Bedelia" manages to dispose of three husbands for their insurance money before her fourth (Ian Hunter) begins to sicken very quietly and slowly under her attentions.

On the whole, slow poisoning as a *modus operandi* doesn't seem very well adapted to the high and violent tempo of the murder-movie. You can't really produce much sense of crisis through these prolonged periods of decline varied by endless relays of spiked cups of coffee and glasses of milk. Every movie-goer knows that sooner or later the interested investigator or the reliable doctor will turn up with the right diagnosis and antidote. You don't sit there very long before you get to feeling that it had better be sooner.

Of the current lot Hitchcock's "Notorious", naturally, goes to the top of the list. It is a Hitchcock film that might have been made by almost any competent director except Hitchcock. The reason, I suspect, was that he allowed himself to be diverted from his usual methods by the presence of Ingrid Bergman.

Alfred Hitchcock has always had a number of recognizable rules in screen-direction, a prominent one being that the heroine mustn't be allowed to make a damn nuisance of herself. In Miss Bergman's case he seems to have waived this objection and the result of this unfortunate gallantry is that the star, beautiful and talented as she is, frequently gets in the way of the story. Suspense has been subordinated to romance, with at least one love-sequence between Miss Bergman and Cary Grant so protracted and ardent that the audience took cover at last in half-embarrassed, half-derisive giggles.

Difficult Conversion

Then, too, Director Hitchcock has devoted far too much of his valuable attention to the problem of turning his star, after that long affair of hers with the Church, into a sensationally loose and reckless worldling. The result is an uncomfortable over-emphasis. Miss Bergman works hard—a little too hard—at the assignment, but that unmistakably wholesome quality of hers comes through in spite of her. In the early drunken sequence she is thick-tongued and unsteady, alternately playful and violent; but one couldn't escape the knowledge that she was cold sober underneath. Though she performs as a drunk at the height of her skill, the performance is always more in evidence than the illusion of drunkenness.

The story, which is about wartime Nazi activities in Brazil, has Miss Bergman and Cary Grant as police agents working together on the trail of Claude Rains, head of a Nazi ring in Rio. It seems to me we've been over that ground before.

"Bedelia", a rather ingeniously calculated British movie, opens in Monte Carlo where the hero and heroine (Margaret Lockwood and Ian Hunter) are taking their honeymoon, and then passes to a prosperous English country mansion where the couple settle down to entertain the local gentry. The picture takes its time, pausing to record the neighborhood chitchat and to note how the vicar's wife should dress at a dinner party, in contrast to more worldly ladies. This leisurely tempo would be fine in a British comedy of manners. In a murder-thriller, however, it is the pace that kills.

You aren't left very long in doubt that Miss Lockwood is up to no good, for she is a very ingenuous murderess, who stiffens with attention whenever the conversation gets round to insurance policies and sways, widens her eyes and spills the tea when someone casually brings in the name of one of her former victims. An insurance claims investigator disguised as a portrait painter makes most of these unfortunate references, so it isn't long before the heroine turns her attention to him, and loads his smoked salmon with arsenic. It isn't giving anything away to tell you she comes to a bad end.

Deanna Durbin's "I'll Be Yours" is the usual Deanna Durbin film, about the little girl with the big voice who comes to the city and picks up true love and a singing contract in less time than it would take the average young woman to register at the local Y.W.C.A. In the course of the story she sings three songs and gets involved with three men—William Bendix, Tom Drake and Adolf Menjou. Adolf Menjou tries to seduce her, Tom Drake adores her, William Bendix befriends her and the camera has never been kinder to her. What more could any girl, or any Durbin fan, ask?

SWIFT REVIEW

OPEN CITY. A grim, heartshaking and altogether extraordinary film which tells the story of the Italian underground workers during the Nazi occupation. The cast is uniformly superb.

DOLLY MADISON. Ginger Rogers, all dressed up to represent the famous Dolly Madison, who in turn has been carefully remodelled to resemble Ginger Rogers. With David Niven, Burgess Meredith.

TILL THE CLOUDS ROLL BY. Considerably more than life-size biography of the late Jerome Kern, with Robert Walker, assisted by at least 25 of M.G.M.'s best stars, playing the composer. The Kern tunes are pretty much as Kern wrote them.

JOHNNY FRENCHMAN. Sprightly cross-channel romance from the English studios, with a fine vigorous performance by Francoise Rosay.

Valentine vignette . . .

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WORLD OF WOMEN

From Stoney Creek to Universal Movement in Fifty Years Time

By ETHEL CHAPMAN

IN THE village hall at Stoney Creek, Ontario, fifty years ago—February 19, 1897, to be exact—a group of farmers and their wives launched a movement that has since spread pretty well around the world.

Perhaps the men were primarily responsible for the venture. Some of them had attended a Farmers' Institute meeting at the Agricultural College at Guelph, and there they had heard a woman deliver a message that moved them deeply. The speaker was Mrs. Adelaide Hoodless, a charming, cultured woman, already well known in her home city of Hamilton for her campaigns for clean milk and the teaching of home economics—"domestic science" they called it then—in the public schools.

Mrs. Hoodless had a very personal reason for her zeal to promote education in homemaking. As a young mother she had lost a baby and she felt that if she had known more about how to take care of babies she might have saved it. She believed that the education prescribed for women was neglecting the thing most needful to most women — a knowledge of how to keep a home and take care of a family; that a basic training in home economics was the right of every girl and should have a place in the public schools. And for women whose school days were over, who were already wives and mothers, the need of such training was still more urgent.

Women's Institute Born

It was Mrs. Hoodless' idea that home-keeping women might organize themselves into groups to study homemaking, both by sharing what they knew and by getting what help they could from outside sources. The men from Stoney Creek were so impressed that they asked Mrs. Hoodless to come to a meeting in their village and speak to their women. At this meeting the first Women's Institute was organized.

But, however helpful the men may have been in calling the meeting, from there on the women did their own planning. No man conceived the objectives drawn up for the new organization. These came from the hearts and minds of women whose first concern was the welfare of their homes and families.

"The objects of Women's Institutes," says the constitution, "shall be the dissemination of knowledge relating to domestic economy . . . household architecture . . . home sanitation . . . foods . . . clothing . . . and the more scientific care and training of children, with a view to raising the general standard of health and morals of our people; and the consideration of any problem, or the carrying on of any line of work which has as its object the uplift of the home or the betterment of conditions surrounding community life."

They builded better than they knew, those pioneers of Stoney Creek. The plans they laid at their first meeting were sound enough and broad enough to last as long as women have the vision to interpret and adapt them to the needs of changing times.

They wanted to learn more about "domestic economy"—home management, food, clothing and housing, those farm women of fifty years ago, but their only way of learning was to share what they knew with each other. So the woman who could make the best bread or do the best sewing demonstrated her art to the others. With the help of whatever books and magazines were available the members prepared papers on child training and house planning and home management and such subjects as "making a house a home"—very fine papers many of them were. And all the time the women were growing, developing their own talents. In fact "the development of local talent" was an important matter with the institutes in their earlier days. One of the first things they learned was to express themselves in a group, and members with a gift for public speaking were soon in demand to talk to neighboring institutes.

We say "neighboring" institutes, because as the news of what had been done at Stoney Creek spread over the province, institutes sprang up in other places. Once or twice a year a home economist from Macdonald Institute might be brought to an institute to give a cooking demonstration, and later, when the movement had grown to a point where the government had considered it necessary to set up a Women's Institutes' Branch in the Department of Agriculture, the women asked for short courses in Foods and Cooking, Sewing and Home Nursing.

This service has been extended until the Women's Institute Branches in the various provinces now have permanent staffs of extension workers going about the country teaching Nutrition, Clothing, Housing, Handicraft, Health and more recently in Ontario at least, a psychologist is available for courses in Child Guidance and Family Living. So we have today's answer to the Stoney Creek women's appeal for more education in "the scientific care and training of children."

And what about work for "the betterment of conditions surrounding community life"? From their earliest days the institutes carried on work for the community. They arranged social gatherings, worked to improve the schools, cleared up old cemeteries and built community halls. They had taken the motto "For Home and Country," and the most practical way to work for the country seemed to be to begin in their own neighborhood.

As they studied community problems, they saw that community responsibility extended to the larger field of the nation and the world. Now the institutes have standing committees on Home Economics, Agriculture and Canadian Industries, Social Welfare including Child Welfare and Health, and Citizenship combining Adult Education, Canadianization, International Relations and Peace. These standing committees function from the local institute up through the district and the province to the national level. It would be difficult to estimate the potential force of such an organization.

Country Women Of World

And now the Women's Institutes are part of an international group, the Associated Country Women of the World. We cannot claim that this world-wide movement had its beginning in Ontario. At about the time the first women's institute was set up at Stoney Creek, the country women of Finland and of Germany were forming their national organizations and in the United States women were finding a place in agricultural groups. But the women's institute idea was carried directly from Canada to Great Britain and from there to Australia and New Zealand.

During the first world war, when the British people were threatened with starvation, the government enlisted the services of two Canadian women in the campaign for food conservation. Mrs. Alfred Watt of British Columbia and Miss Emily Guest of Ontario were in London at the time. They were both ardent institute workers and when they were asked to teach British women the American art of saving food by canning, they converted the government to the idea that the best way to promote a drive for food conservation would be to organize the women into women's institutes.

The British women, from the lady of the manor to the cottager's wife, responded enthusiastically. It had been written in the laws at Stoney Creek that the women's institute would recognize no class, creed, race or political party, and there is something in the spirit of the organization that seems to dissolve imaginary social barriers. Perhaps the reason is that the institute has its roots in the fundamental interest of all women—the home and the family.

The growth of the movement in Britain has been rapid and steady. When the war was over—the first war—the program turned to handicraft and leavening the social life of the villages and the countryside—organizing cottage industries, drama groups, choral clubs, folk dancing. More recently the British institutes have been active in promoting adult education — discussion groups and classes in current affairs. In the second world war, as in the first, they did splendid work in food production and conservation.

The head office of the Associated Country Women of the World is in London, and during the war such representatives as could get together worked on a program of postwar reconstruction in the special fields of food, housing, health and education. This will be the basis for discussion at the international conference to be held in Amsterdam next September — their first conference since the summer of 1939.

At this last meeting, with war drawing closer daily, they found that women the world over feel pretty much the same about war. And that they are learning the causes of war. They found that the "good neighbor" spirit of the country women and the small community can be broadened to a concern for human welfare to the ends of the earth. Unquestionably the Country Women of the World, when they meet next summer, will have some practical recommendations to present to the United Nations. To have grown to this stature seems a fair achievement for the Women's Institutes as they celebrate their fiftieth anniversary.

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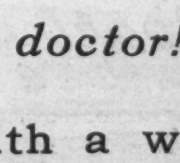
Your Heart is a wonderfully dependable organ.  It beats about 100,000 times a day, yet rarely fails before old age unless it has been abused, or weakened by disease. The commonest abuses which put extra strain on the heart are *overweight* and *excessive exertion,* especially after age 40.

Fear of heart ailments is often groundless, so, if you are worried about your heart — *see a doctor!* Remember, even with a weakened heart you can usually lead *a happy, useful life!*

Medical science is on the march against heart disease

Heart ailments account for almost one third of all deaths in this country. They are caused chiefly by rheumatic fever, high blood pressure, kidney diseases, syphilis, and hardening of the arteries—especially those supplying the heart itself. Early discovery and prompt treatment of these diseases are most important in reducing the danger of serious heart damage.

Medical science is giving increased attention to studies of the heart. Notable advances have already been scored. New drugs and new techniques are opening up more avenues of investigation. Many organizations encourage this great work. For example, the Life Insurance Medical Research Fund, supported by 148 Life Insurance Companies in the U.S. and Canada, makes grants for special studies in heart disease.

What should you do for your heart?

Have a thorough physical examination every year. Take great care during convalescence from any infection. If you *should* develop heart disease, follow your physician's advice about proper rest, exercise, and diet, as well as about special drugs and medicines. To learn more about the heart, and the diseases that affect it, send for Metropolitan's free booklet, "Protecting Your Heart." Address your request to Booklet Dept. 27T. Canadian Head Office, Ottawa.

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Acadia's Class Pin: These Little Things Mean a Lot To Me Now

By ELIZABETH NORRIE

THEY were a couple of loud-mouthed youngsters, well-dressed and objectionable.

I both saw and heard them as I sat over midnight coffee and apple pie in a chain restaurant on Montreal's Peel street. Passing and jostling rows of Persian lamb coats toying with salami on rye, and rumpled business suits eyeing pretty waitresses as well as minute steaks, the duet swaggered up to the cashier's desk.

Two bills went onto the glass-topped counter covering two gray-green "checks", and two neat piles of silver appeared in their places. The taller of the two youths—the one in the thirty dollar slacks and fur-edged parka, slipped his change into a pocket without counting it. His companion, also turned out in ski slacks but wearing a trench coat over them, counted out his nickels and dimes and flung them back onto the counter.

"Did you ever go to school?" he asked the cashier, loudly.

Without replying, the dark-haired woman behind the cash register picked up the change, counted it, lifted a check from a pile in front of her and, after comparing the change and the check, added another coin to those already on the counter. From my table, near as it was to the cashier's desk, I was unable to see the denomination of the coin, but I could overhear the conversation.

"I'm sorry, sir," said the cashier. "I made a mistake."

"Look, sister, if you want tips, there are other ways to get them . . ." Youth, untempered by experience or understanding, can be crude, as well as rude.

"Whaddaya know, Bill, looks like the little lady wants her cut, too!" The taller of the two boys had turned back and was looking the cashier over with a bold, though immature interest in her well-filled-out figure.

The cashier caught his look and a dark red spot appeared high over each cheek bone. Woman-like, I was interested in observing another female in the spotlight, but a moment later my impersonal interest had turned to a sympathetic partisanship as a couple of check-suited, sports page devotees at a nearby table lowered their to-morrow morning's newspapers to grin knowingly at the two youths.

"Go on, baby, teach the young pups a thing or two," one of them called out. His companion sniggered.

Encouraged by adult approval, the boys grinned, leaned elbows on the counter, and waited.

Short-Changed

At surrounding tables women, New York hatted and husband cared for looked at the little black-suited cashier, some with well-bred objectivity, some with the supercilious air adopted by the housewife who chooses to forget that she once earned a living with stenographer's pencil or salesgirl's charge book. Men grinned, and waitresses cast covert glances towards the front of the restaurant.

Embarrassed for the little cashier, I hastily applied myself to apple pie and to the copy of Emily Carr's autobiography which had been lying atop my brief case. Still looking at the pages of the book, I heard the woman speaking to the boys.

"I told you I was sorry. Your change is now correct."

Her voice was low and clipped—a Maritime accent.

I glanced up again. The cashier had turned to deal with another customer, her cheeks scarlet, her face embarrassed.

In a voice as blatant as before, the lad who had begun the altercation laughed.

"Don't bother going back to school, toots," he said. "You're only a cashier—why should you be able to make change? You'd better take lessons in some other things instead—too bad you didn't get a soldier to teach you when the war was on."

He flipped a bit of silver across the counter.

"Here's an advance on your first lesson."

A moment later he and his friend had taken their teen-age insolence through the revolving door onto Peel street. For an instant the cashier did not move. Then she reached out swiftly, picked up the coin and dropped it into a tin box on the end of the counter. The box was marked "Crippled Children's Fund".

In a matter of seconds the incident was dead. The life of the restaurant went on as before: couples coming from late shows dribbled in off the street; "girls" in their forties out for an evening together sauntered by, unmindful of tomorrow's business hours; sweet-faced young mothers were helped into fur coats by husbands as anxious as they to learn how the baby behaved with the new "sitter".

When I approached the desk to pay my check, some fifteen minutes later, the red had not, however, left the cashier's face. The two bright spots still burned on her somewhat pale cheeks.

She was the same cashier generally on duty at this downtown restaurant—I had seen her literally dozens of times before, but tonight I looked at her carefully for the first time. She was about thirty-five and reasonably good-looking, in an average sort of way. Her dark hair had a permanent, and her nails had been done at home. Her eyes were brown with a certain wariness behind their depth.

I looked at her suit, appraising it for style and quality. It was a black suit, plain and neat and of war-time material. Mentally I placed it in the twenty-five dollar class. It was while I was looking at her suit that I noticed the college class pin on the lapel. There was something familiar about that pin—and then from across the glass counter I recognized it. It was Acadia, my own university.

"Is that pin Acadia?" I asked, surprised.

The cashier looked at me quickly.

"Acadia, yes," she said quietly. I waited, but she added nothing. Silently she counted out my change, recounted it, and handed it across to me.

"I went to Acadia," I said. "Class of '39. Are you from Acadia?"

For what seemed a long moment the woman across the counter said nothing.

"No," she answered finally. "I didn't go to Acadia. It's my husband's pin. He belonged to the class of '34."

For a moment again there was silence. Then, "He joined the R.C.-A.F.—and he didn't come back."

She touched the tiny pin on her lapel.

"These little things mean a lot to me now. I like to wear them."

I could think of nothing to say, except "I'm sorry". But as I opened my purse to put away the money she had handed me, I thought again of the two well-dressed, loud-voiced school boys who had caused the red stain of embarrassment to creep onto this woman's face. I thought of what they owed her, and thousands like her, and I was embarrassed—for them.

I looked up to find the dark-eyed widow observing me. As if she had read my thoughts, she said quietly, "My husband believed every kid should have a chance to grow up in a free country—to be himself, no matter what that meant."

And then she smiled, a smile which lifted her face from ordinary prettiness to unsuspected beauty.

She turned to take a dirty dollar bill from the first of the row of people who had lined up behind to pay their checks.

"Thank you," she said to me.

"Thank *you!*" I said.

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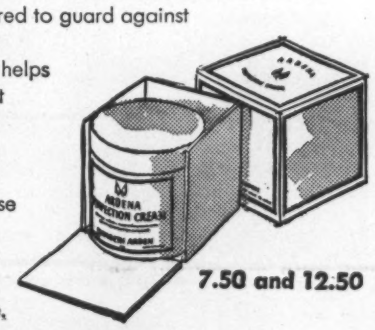

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Hola! Mexican Bingo Tonight

By MARGARET A. NEWCOMBE

HOLA! Above the ceaseless murmur of the plaza fountain, the cries of the ice-stick vendor and the squeals of pigs being dragged to market by a hind leg, rises the triumphant shout of the bingo player. Hola!

Miraculously, the grains of dried corn have allowed themselves to be arranged in fours—any four, it doesn't matter in Mexican bingo—and the proud player shouts out the winning word. He grins happily as he accepts the five, green-tinted water glasses with which the management presents him. As he bows to the plaudits of his comrades, he pushes his straw sombrero, with the huge, pink, paper roses in its band, back on his head. His spotless white shirt and trousers, with the small white, over-apron tied around his hips, proclaims him a worker from the country, in for the day to see the sights.

Pictorial Bingo

But although this innocent gambling game, a common sight at country fairs the continent over, is just as popular in Mexico, it is a game with a difference. Stop near the blue-shaded lights, the crude wooden benches, the huge tin globe painted a macabre blue and listen to the man calling out the names.

"Monkey!" he cries. "Dog! Peach! Shoes!"

The bingo squares contain not numbers, or letters, but pictures of the objects he names, objects that will be familiar to the most unlettered peon from the country. Because so few of Mexico's millions can read or write, or have any conception of written numbers, bingo has been translated into easily recognized pictures.

And there are myriad ways of winning, four straight across, down or kitty-cornered, as usual, or four squares together, or four in a mysterious zig-zag pattern that all Mexicans know but few Norteamericanos would recognize.

There is no danger of missing the magic pattern, though, for there is always a large and voluble crowd of onlookers leaning over the player's shoulders, happy in anyone's luck and not at all envious of the fact that they lack the five centavos necessary for a game.

The proprietor joins in the free and easy atmosphere. As it nears the supper hour, he is apt to count up the faces of the familiar habituees and send his boy across the square to the taco stand. There they make the crisp, fried tortillas—those paper-thin round cakes of ground corn and plaster-water—filled with little bits of chicken, bright carrots, lettuce and onions. The boy returns with a huge tortilla plate full, trailing appetizing odors, fresh and hot from the charcoal braziers that glow on every corner. He distributes them free to the players.

So the country peasant lingers a bit longer. His shy-eyed wife, her head and shoulders shadowed by her rebozo, rocks her baby patiently to her breast and murmurs that it would be a wonderful thing if her man could but manage to win those two pale blue vases on the top shelf—see, the little twisted ones of bubbled glass.

Long after the last strains of the band in the gardens have faded into stillness and the evening parade of youths and maidens has trickled out of the square, the blue lights of the bingo board still glare in the long, night-shadows cast by the church. The tin globe rattles as it is twirled on its axis and the proprietor plunges in his hand to draw forth "Papaya! Mango! Zapote!"

Pink, lime and moss green satin ribbon bows and streamers draw backward glances to this hat of lime green straw. By Laddie Northridge.

WORLD OF WOMEN

From Stoney Creek to Universal Movement in Fifty Years Time

By ETHEL CHAPMAN

IN THE village hall at Stoney Creek, Ontario, fifty years ago—February 19, 1897, to be exact—a group of farmers and their wives launched a movement that has since spread pretty well around the world.

Perhaps the men were primarily responsible for the venture. Some of them had attended a Farmers' Institute meeting at the Agricultural College at Guelph, and there they had heard a woman deliver a message that moved them deeply. The speaker was Mrs. Adelaide Hoodless, a charming, cultured woman, already well known in her home city of Hamilton for her campaigns for clean milk and the teaching of home economics—"domestic science" they called it then—in the public schools.

Mrs. Hoodless had a very personal reason for her zeal to promote education in homemaking. As a young mother she had lost a baby and she felt that if she had known more about how to take care of babies she might have saved it. She believed that the education prescribed for women was neglecting the thing most needful to most women — a knowledge of how to keep a home and take care of a family; that a basic training in home economics was the right of every girl and should have a place in the public schools. And for women whose school days were over, who were already wives and mothers, the need of such training was still more urgent.

Women's Institute Born

It was Mrs. Hoodless' idea that home-keeping women might organize themselves into groups to study homemaking, both by sharing what they knew and by getting what help they could from outside sources. The men from Stoney Creek were so impressed that they asked Mrs. Hoodless to come to a meeting in their village and speak to their women. At this meeting the first Women's Institute was organized.

But, however helpful the men may have been in calling the meeting, from there on the women did their own planning. No man conceived the objectives drawn up for the new organization. These came from the hearts and minds of women whose first concern was the welfare of their homes and families.

"The objects of Women's Institutes," says the constitution, "shall be the dissemination of knowledge relating to domestic economy . . . household architecture . . . home sanitation . . . foods . . . clothing . . . and the more scientific care and training of children, with a view to raising the general standard of health and morals of our people; and the consideration of any problem, or the carrying on of any line of work which has as its object the uplift of the home or the betterment of conditions surrounding community life."

They builded better than they knew, those pioneers of Stoney Creek. The plans they laid at their first meeting were sound enough and broad enough to last as long as women have the vision to interpret and adapt them to the needs of changing times.

They wanted to learn more about "domestic economy"—home management, food, clothing and housing, those farm women of fifty years ago, but their only way of learning was to share what they knew with each other. So the woman who could make the best bread or do the best sewing demonstrated her art to the others. With the help of whatever books and magazines were available the members prepared papers on child training and house planning and home management and such subjects as "making a house a home"—very fine papers many of them were. And all the time the women were growing, developing their own talents. In fact "the development of local talent" was an important matter with the institutes in their earlier days. One of the first things they learned was to express themselves in a group, and members with a gift for public speaking were soon in demand to talk to neighboring institutes.

We say "neighboring" institutes, because as the news of what had been done at Stoney Creek spread over the province, institutes sprang up in other places. Once or twice a year a home economist from Macdonald Institute might be brought to an institute to give a cooking demonstration, and later, when the movement had grown to a point where the government had considered it necessary to set up a Women's Institutes' Branch in the Department of Agriculture, the women asked for short courses in Foods and Cooking, Sewing and Home Nursing.

This service has been extended until the Women's Institute Branches in the various provinces now have permanent staffs of extension workers going about the country teaching Nutrition, Clothing, Housing, Handicraft, Health and more recently in Ontario at least, a psychologist is available for courses in Child Guidance and Family Living. So we have today's answer to the Stoney Creek women's appeal for more education in "the scientific care and training of children."

And what about work for "the betterment of conditions surrounding community life"? From their earliest days the institutes carried on work for the community. They arranged social gatherings, worked to improve the schools, cleared up old cemeteries and built community halls. They had taken the motto "For Home and Country," and the most practical way to work for the country seemed to be to begin in their own neighborhood.

As they studied community problems, they saw that community responsibility extended to the larger field of the nation and the world. Now the institutes have standing committees on Home Economics, Agriculture and Canadian Industries, Social Welfare including Child Welfare and Health, and Citizenship combining Adult Education, Canadianization, International Relations and Peace. These standing committees function from the local institute up through the district and the province to the national level. It would be difficult to estimate the potential force of such an organization.

Country Women Of World

And now the Women's Institutes are part of an international group, the Associated Country Women of the World. We cannot claim that this world-wide movement had its beginning in Ontario. At about the time the first women's institute was set up at Stoney Creek, the country women of Finland and of Germany were forming their national organizations and in the United States women were finding a place in agricultural groups. But the women's institute idea was carried directly from Canada to Great Britain and from there to Australia and New Zealand.

During the first world war, when the British people were threatened with starvation, the government enlisted the services of two Canadian women in the campaign for food conservation. Mrs. Alfred Watt of British Columbia and Miss Emily Guest of Ontario were in London at the time. They were both ardent institute workers and when they were asked to teach British women the American art of saving food by canning, they converted the government to the idea that the best way to promote a drive for food conservation would be to organize the women into women's institutes.

The British women, from the lady of the manor to the cottager's wife, responded enthusiastically. It had been written in the laws at Stoney Creek that the women's institute would recognize no class, creed, race or political party, and there is something in the spirit of the organization that seems to dissolve imaginary social barriers. Perhaps the reason is that the institute has its roots in the fundamental interest of all women—the home and the family.

The growth of the movement in Britain has been rapid and steady. When the war was over—the first war—the program turned to handicraft and leavening the social life of the villages and the countryside—organizing cottage industries, drama groups, choral clubs, folk dancing. More recently the British institutes have been active in promoting adult education — discussion groups and classes in current affairs. In the second world war, as in the first, they did splendid work in food production and conservation.

The head office of the Associated Country Women of the World is in London, and during the war such representatives as could get together worked on a program of postwar reconstruction in the special fields of food, housing, health and education. This will be the basis for discussion at the international conference to be held in Amsterdam next September — their first conference since the summer of 1939.

At this last meeting, with war drawing closer daily, they found that women the world over feel pretty much the same about war. And that they are learning the causes of war. They found that the "good neighbor" spirit of the country women and the small community can be broadened to a concern for human welfare to the ends of the earth. Unquestionably the Country Women of the World, when they meet next summer, will have some practical recommendations to present to the United Nations. To have grown to this stature seems a fair achievement for the Women's Institutes as they celebrate their fiftieth anniversary.

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Heart ailments account for almost one third of all deaths in this country. They are caused chiefly by rheumatic fever, high blood pressure, kidney diseases, syphilis, and hardening of the arteries—especially those supplying the heart itself. Early discovery and prompt treatment of these diseases are most important in reducing the danger of serious heart damage.

Medical science is giving increased attention to studies of the heart. Notable advances have already been scored. New drugs and new techniques are opening up more avenues of investigation. Many organizations encourage this great work. For example, the Life Insurance Medical Research Fund, supported by 148 Life Insurance Companies in the U.S. and Canada, makes grants for special studies in heart disease.

What should you do for your heart?

Have a thorough physical examination every year. Take great care during convalescence from any infection. If you *should* develop heart disease, follow your physician's advice about proper rest, exercise, and diet, as well as about special drugs and medicines. To learn more about the heart, and the diseases that affect it, send for Metropolitan's free booklet, "Protecting Your Heart." Address your request to Booklet Dept. 27T. Canadian Head Office, Ottawa.

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Acadia's Class Pin: These Little Things Mean a Lot To Me Now

By ELIZABETH NORRIE

THEY were a couple of loud-mouthed youngsters, well-dressed and objectionable.

I both saw and heard them as I sat over midnight coffee and apple pie in a chain restaurant on Montreal's Peel street. Passing and jostling rows of Persian lamb coats toying with salami on rye, and rumpled business suits eyeing pretty waitresses as well as minute steaks, the duet swaggered up to the cashier's desk.

Two bills went onto the glass-topped counter covering two gray-green "checks", and two neat piles of silver appeared in their places. The taller of the two youths—the one in the thirty dollar slacks and fur-edged parka, slipped his change into a pocket without counting it. His companion, also turned out in ski slacks but wearing a trench coat over them, counted out his nickels and dimes and flung them back onto the counter.

"Did you ever go to school?" he asked the cashier, loudly.

Without replying, the dark-haired woman behind the cash register picked up the change, counted it, lifted a check from a pile in front of her and, after comparing the change and the check, added another coin to those already on the counter. From my table, near as it was to the cashier's desk, I was unable to see the denomination of the coin, but I could overhear the conversation.

"I'm sorry, sir," said the cashier. "I made a mistake."

"Look, sister, if you want tips, there are other ways to get them . . ." Youth, untempered by experience or understanding, can be crude, as well as rude.

"Whaddaya know, Bill, looks like the little lady wants her cut, too!" The taller of the two boys had turned back and was looking the cashier over with a bold, though immature interest in her well-filled-out figure.

The cashier caught his look and a dark red spot appeared high over each cheek bone. Woman-like, I was interested in observing another female in the spotlight, but a moment later my impersonal interest had turned to a sympathetic partisanship as a couple of check-suited, sports page devotees at a nearby table lowered their to-morrow morning's newspapers to grin knowingly at the two youths.

"Go on, baby, teach the young pups a thing or two," one of them called out. His companion sniggered.

Encouraged by adult approval, the boys grinned, leaned elbows on the counter, and waited.

Short-Changed

At surrounding tables women, New York hatted and husband cared for looked at the little black-suited cashier, some with well-bred objectivity, some with the supercilious air adopted by the housewife who chooses to forget that she once earned a living with stenographer's pencil or salesgirl's charge book. Men grinned, and waitresses cast covert glances towards the front of the restaurant.

Embarrassed for the little cashier, I hastily applied myself to apple pie and to the copy of Emily Carr's autobiography which had been lying atop my brief case. Still looking at the pages of the book, I heard the woman speaking to the boys.

"I told you I was sorry. Your change is now correct."

Her voice was low and clipped—a Maritime accent.

I glanced up again. The cashier had turned to deal with another customer, her cheeks scarlet, her face embarrassed.

In a voice as blatant as before, the lad who had begun the altercation laughed.

"Don't bother going back to school, toots," he said. "You're only a cashier—why should you be able to make change? You'd better take lessons in some other things instead—too bad you didn't get a soldier to teach you when the war was on."

He flipped a bit of silver across the counter.

"Here's an advance on your first lesson."

A moment later he and his friend had taken their teen-age insolence through the revolving door onto Peel street. For an instant the cashier did not move. Then she reached out swiftly, picked up the coin and dropped it into a tin box on the end of the counter. The box was marked "Crippled Children's Fund".

In a matter of seconds the incident was dead. The life of the restaurant went on as before: couples coming from late shows dribbled in off the street; "girls" in their forties out for an evening together sauntered by, unmindful of tomorrow's business hours; sweet-faced young mothers were helped into fur coats by husbands as anxious as they to learn how the baby behaved with the new "sitter".

When I approached the desk to pay my check, some fifteen minutes later, the red had not, however, left the cashier's face. The two bright spots still burned on her somewhat pale cheeks.

She was the same cashier generally on duty at this downtown restaurant—I had seen her literally dozens of times before, but tonight I looked at her carefully for the first time. She was about thirty-five and reasonably good-looking, in an average sort of way. Her dark hair had a permanent, and her nails had been done at home. Her eyes were brown with a certain wariness behind their depth.

I looked at her suit, appraising it for style and quality. It was a black suit, plain and neat and of war-time material. Mentally I placed it in the twenty-five dollar class. It was while I was looking at her suit that I noticed the college class pin on the lapel. There was something familiar about that pin—and then from across the glass counter I recognized it. It was Acadia, my own university.

"Is that pin Acadia?" I asked, surprised.

The cashier looked at me quickly.

"Acadia, yes," she said quietly. I waited, but she added nothing. Silently she counted out my change, recounted it, and handed it across to me.

"I went to Acadia," I said. "Class of '39. Are you from Acadia?"

For what seemed a long moment the woman across the counter said nothing.

"No," she answered finally. "I didn't go to Acadia. It's my husband's pin. He belonged to the class of '34."

For a moment again there was silence. Then, "He joined the R.C.-A.F.—and he didn't come back."

She touched the tiny pin on her lapel.

"These little things mean a lot to me now. I like to wear them."

I could think of nothing to say, except "I'm sorry". But as I opened my purse to put away the money she had handed me, I thought again of the two well-dressed, loud-voiced school boys who had caused the red stain of embarrassment to creep onto this woman's face. I thought of what they owed her, and thousands like her, and I was embarrassed—for them.

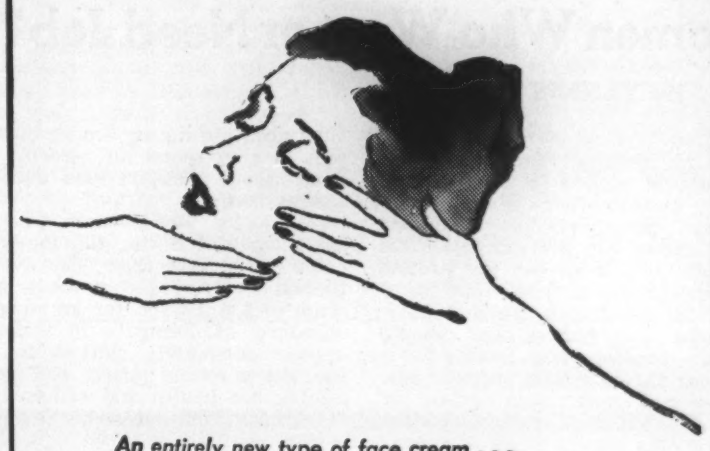
I looked up to find the dark-eyed widow observing me. As if she had read my thoughts, she said quietly, "My husband believed every kid should have a chance to grow up in a free country—to be himself, no matter what that meant."

And then she smiled, a smile which lifted her face from ordinary prettiness to unsuspected beauty.

She turned to take a dirty dollar bill from the first of the row of people who had lined up behind to pay their checks.

"Thank you," she said to me.

"Thank *you!*" I said.



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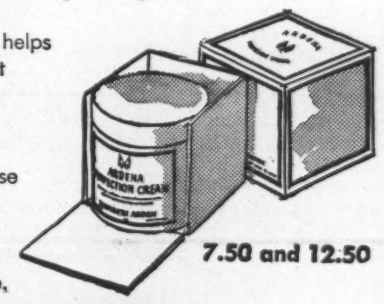

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Hola! Mexican Bingo Tonight

By MARGARET A. NEWCOMBE

HOLA! Above the ceaseless murmur of the plaza fountain, the cries of the ice-stick vendor and the squeals of pigs being dragged to market by a hind leg, rises the triumphant shout of the bingo player. Hola!

Miraculously, the grains of dried corn have allowed themselves to be arranged in fours—any four, it doesn't matter in Mexican bingo—and the proud player shouts out the winning word. He grins happily as he accepts the five, green-tinted water glasses with which the management presents him. As he bows to the plaudits of his comrades, he pushes his straw sombrero, with the huge, pink, paper roses in its band, back on his head. His spotless white shirt and trousers, with the small white, over-apron tied around his hips, proclaims him a worker from the country, in for the day to see the sights.

Pictorial Bingo

But although this innocent gambling game, a common sight at country fairs the continent over, is just as popular in Mexico, it is a game with a difference. Stop near the blue-shaded lights, the crude wooden benches, the huge tin globe painted a macabre blue and listen to the man calling out the names.

"Monkey!" he cries. "Dog! Peach! Shoes!"

The bingo squares contain not numbers, or letters, but pictures of the objects he names, objects that will be familiar to the most unlettered peon from the country. Because so few of Mexico's millions can read or write, or have any conception of written numbers, bingo has been translated into easily recognized pictures.

And there are myriad ways of winning, four straight across, down or kitty-cornered, as usual, or four squares together, or four in a mysterious zig-zag pattern that all Mexicans know but few Norteamericanos would recognize.

There is no danger of missing the magic pattern, though, for there is always a large and voluble crowd of onlookers leaning over the player's shoulders, happy in anyone's luck and not at all envious of the fact that they lack the five centavos necessary for a game.

The proprietor joins in the free and easy atmosphere. As it nears the supper hour, he is apt to count up the faces of the familiar habituees and send his boy across the square to the taco stand. There they make the crisp, fried tortillas—those paper-thin round cakes of ground corn and plaster-water—filled with little bits of chicken, bright carrots, lettuce and onions. The boy returns with a huge tortilla plate full, trailing appetizing odors, fresh and hot from the charcoal braziers that glow on every corner. He distributes them free to the players.

So the country peasant lingers a bit longer. His shy-eyed wife, her head and shoulders shadowed by her rebozo, rocks her baby patiently to her breast and murmurs that it would be a wonderful thing if her man could but manage to win those two pale blue vases on the top shelf—see, the little twisted ones of bubbled glass.

Long after the last strains of the band in the gardens have faded into stillness and the evening parade of youths and maidens has trickled out of the square, the blue lights of the bingo board still glare in the long, night-shadows cast by the church. The tin globe rattles as it is twirled on its axis and the proprietor plunges in his hand to draw forth "Papaya! Mango! Zapote!"

Pink, lime and moss green satin ribbon bows and streamers draw backward glances to this hat of lime green straw. By Laddie Northridge.

THE FEMININE OUTLOOK

Is It "Home, Sweet Home" For The Women Who Want or Need Job?

By TANNIS LEE

THE war years have conditioned us to thinking that women are wanted and needed in the working world. Grandmothers, married women and young girls have had their fling. Now the postwar world is with us. If you haven't got around to investigating it, you're in for a shock. Home—if you can find one—is where you belong and should remain. Fathers and husbands—if you have them—should support you.

A regional employment advisor for women as far back as August 1945, summed up the situation thus: "Women whose husbands have jobs and *girls whose fathers can easily support* them are those who will do most to bring about a serious employment situation if they stay in the labor market."

This is an interesting development in a country which has fought a long and costly war for democracy. Because of her sex, woman is denied the fundamental right to work. Yet, because of this war which resulted in death, disabilities and divorce, many thousands of women must work to support themselves and dependents.

In addition, there is the young girl —a product of our coeducation—who takes it for granted that she will go to work when she has finished her schooling. The question of her father being able to support her has never been a part of her thinking. Her horizon has been broadened by the girls, just a little older than herself, who served so capably at home and abroad during the war at jobs hitherto limited to men. The fathers were understandably proud of them and have encouraged their younger sisters in planning their careers. Neither fathers nor daughters are going to adjust easily to the new attitude of the employment advisors. In fact, there is no indication that they are paying any attention to it.

Employers take advantage of inexperienced girls seeking their first job and pay the low wage of $15 to $17 a week. No girl can possibly be independent and live on that salary! The employer is, therefore, pushing part of the responsibility of her support on to her family. He capitalizes on the assumption that she does live at home and regards her salary as very good pin money—more than his wife has to spend on herself. But what about the girl who does not live at home?

Mr. K. S. Woodsworth, who has taken up the battle for the white collar girls, says that "The average Canadian office girl needs a minimum of $36 a week for an adequate standard of living." In order to appear adequately clothed for the job, she is eating poorly and undermining her health and efficiency as a worker. No wonder she looks on a job as something she will chuck as soon as she can get married. Any prospect is brighter than the reality she must endure.

Age And Experience

You may be one of the women who have been planning to return to the careers they gave up to marry just as soon as the children no longer need their full-time care. Perhaps you have never had a job but have been reading "Life Begins at Forty". Your age and experience should be an asset, but are they? If you want to have some fun testing your ability to sell yourself, now is the time to try. Anyone could get a job during the war. Now it is a real challenge!

When we consider the woman of 35 and over who must work, we run into many difficulties. Some employers hold that anyone who has reached her thirties and is looking for a job can't be much good. They feel she is unstable—that she should by now be settled in her groove. Others feel that her personality is set and that she is a poor risk. She may be a disturbing influence and not fit well into a group of younger women. Many pension systems have been set up to function only for the woman under 35 based on a retiring age of 60 with at least 25 years of service. If she is married, Heaven help her! When she lands a job it comes tied up with taxes—new taxes so designed to start a stampede from the job back to the home.

The teaching profession relaxed its ruling about married women when it recently made history in Toronto by giving 17 married women, under 35, permanent status on the teaching staff. Many good teachers are turning to other types of work as salaries are much lower than in most of the other professions.

In the Civil Service all the married women, who were employed during the war on a temporary status, are being replaced by veterans and single women under 35.

The C.B.C. reports that married women are only barred from clerical positions. The door is wide open to the artist, married or single, old or young. If you have any talents to develop, here is your chance.

What about secretaries in business? The supervisor of secretarial personnel at one of the National Employment Services says that placing women over 35 is one of her biggest headaches. The employers want them young.

The Public Libraries cannot take women over 35 as the pension system rules them out. An ex-librarian must try industrial organizations or the universities.

The department stores employ women at around $17 a week as sales clerks, dining room and kitchen help without stress on age or marital status. Some only take on sales women over 35 as temporary help for the Christmas season. In the specialist field, one store advertised for a woman to act in an advisory capacity. Her qualifications must include professional training but the age limit was set at 21-35 years. Two women over 35, but with the necessary training and experience, tried to make an appointment for a personal interview. They reported to a National Employment Office that they couldn't get to first base. Both felt that their age was an asset and that any girl of 21 could not possibly have both the training and experience.

If you think you could benefit from enrolling in a school of Library Science or Social Service, you will find that some of the universities do not consider applicants over 35 years of age. An exception will be made in the case of a student who has had extensive experience in these fields, but if you are new at it, they do not consider you promising material.

At the Y.W.C.A. aptitude tests are given to discover the line of work for which you are particularly fitted. It is the same old refrain—for women from 18 to 35!

The average older woman has no breaks coming her way. She has to fight the prejudice of sex, age and marital status and must accept lower wages in order to hope that she may be employed until she can qualify for an old age pension or an Old Ladies' Home.

Good Outlook For Pro's

The professional woman can be her own master and has a green light all the way. She can free lance if she can write. She can hang out her shingle if she is a doctor, lawyer or physiotherapist. She can sing or act on the C.B.C. She can run her own business of antiques, interior decorating, dress or book shop if she has the funds to get started. The older she gets the more respected she becomes and is consulted as an authority. She can look forward to dying in harness or retiring and taking a world cruise.

Now that we know the score, what are we going to do about it?

If we do nothing but feel sorry for ourselves, we are giving into apathy and frustration and deserve little consideration. There are always women who sit back and let others do their fighting for them.

Women who must find work at once are ready to resort to any measure. They have no time to wait and organize public opinion. With feminine resourcefulness, they just quietly lie about their age and dye their hair if tattle-tale gray gives them away.

What is really needed is to make an organized fuss about it. Women now outnumber men and cannot be treated as a minority group if they have the wits to recognize and take advantage of their strength. Women, who can stay in the home or want to stay there, need to rally to the cause and work through their club organizations and discussion groups to better these conditions. You never know when it may be your turn to be pounding the sidewalks looking for a job. Many a woman has lost her security overnight.

Younger girls should be acutely aware of this backward trend in Canada. You will be 35 some day yourselves and it is up to you to decide what kind of a world you want to live in.

Men need to check up on the wage situation and back up equal pay for equal work regardless of sex. If women will work at the same jobs as men for less money, why should management bother with the men? Veterans, who are now taking back the jobs held by women during the war, find they have to fight to get their wages back to a former level.

They cry out that they need more money to support families. What about the women who have to support dependents? If wages were scaled to the number of dependents for either men or women workers, it might make some sense. The wages of single men have never been geared to those of the single women. They always get more than the woman with dependents. Why? Because they do make an organized effort to better their conditions.

The women in the United States have set us a good example. There was a movement of "back into the home you go" but they ignored it and insisted on being treated as persons —not women. They even boycotted the underpaid jobs and the U.S. Employment Office cooperated in finding them better ones. Their unemployment insurance carried them through the crisis. Equal pay for equal work is the accepted basis of payment in several States and nationwide legislation is being pushed forward on this point. Married or age discrimination is not emphasized. To them the postwar outlook is somewhat brighter than it is here.

If we want Canada to have secure and happy women, it is time we stopped pushing them in and out of the home in war and peace. Give them a break. Give them the freedom and opportunity to work from choice or necessity. Put to use the principles of fair play which our education has taught us to expect.

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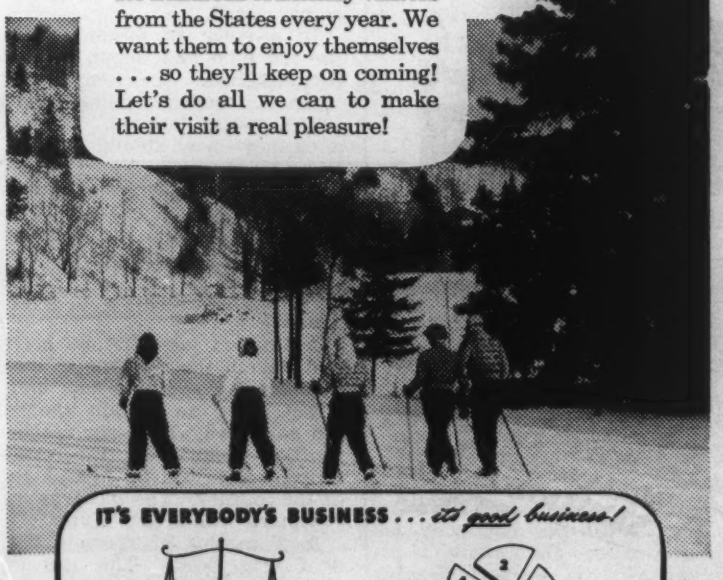

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My Family and the Suckling Pig that Came to Our Dinner Table

By VINIA HOOGSTRATEN

OUR family consisted of my father, my mother, my two sisters, Evie and Buzz, Lizzie, our cook-general, and myself. Dad's was one lone masculine voice in a household of women. The suckling pig was one of the many defeats he suffered at our combined hands.

Somewhere he had got the idea that roast suckling pig was a very tasty dish and, over a period of years, had announced his intention of buying one so often that we had come to regard it as a mythical character.

Then one day he announced that he had ordered one. We girls were intrigued, but Mother looked alarmed.

"I don't think Lizzie has ever cooked one," she said dubiously. "I'm afraid she doesn't know how."

Dad looked cross. "She can find out, can't she?" Dad was always firm about Lizzie when she was out of earshot. "I paid four dollars for it and I want it done right."

The Four-Dollar Dish

We were all appalled. Four dollars for an item of food was a fabulous amount in those days. Mother sighed and went to consult the cook books.

The pig arrived in due course. None of us girls was sufficiently interested to inspect it. I, the eldest, was fourteen, and at the esthetic stage when food was unworthy of notice, except in the actual process of being eaten. My sisters were too busy with their own affairs. Dad, however, was fascinated, and kept bustling into the kitchen with suggestions until Lizzie, no Griselda at any time, was fit to be tied.

Dinner was late. Dad kept fuming and consulting his watch, but the look that Lizzie had given him on his last excursion to the kitchen kept him from returning.

Finally Lizzie, red and breathing hard, announced that dinner was ready. In spite of my continued complaints that in homes where things were done properly dinner was "served," it was "ready" as long as Lizzie was with us.

On the way to the table it was discovered that Buzz, the youngest, had neglected, as usual, to wash her hands.

So the family, minus Buzz, watched in silence as Lizzie, her face noncommittal, placed the platter with the suckling pig before my Father.

He beamed with pleasure. "Perfect, Lizzie! Simply perfect. Couldn't have been better!" Then to the rest of us, proudly, "Look at that, will you?"

We were looking. All of us. In a sort of uncertain fascination, we were looking.

This Little Pig

The little pig lay on the platter with his legs helplessly astraddle. He looked awfully nude. On his little face was roasted an expression of sorrowful accusation. We continued to look at him in silence.

Poor Dad's beam began to fade. "Well?" he said.

At this moment Buzz arrived, on the run, as was her custom. At the sight of our main dish she stopped in her tracks and gave a hoarse scream.

"Gaa!" she said, revolted, "It looks just like a baby!"

"No such thing!" Dad was outraged. His gaze fell to the platter and his voice wavered. "No such th—ing."

He flourished the carving knife, and leaned forward.

"Don't, Daddy! Don't cut it!" yelled Buzz in anguish.

"Do you mean to sit there and tell me not to *cut* it? My four dollar pig? Certainly I'm going to cut it."

"Could I have an egg?" I asked Mother weakly.

"I don't want any dinner," Buzz announced firmly. "May I be excused?"

"No, you may not be excused," said Dad hotly. "You needn't have any pig if you don't want it, but you'll eat your dinner. Of all the nonsense! One of the finest dishes you can put on the table. . . . How about you, Evie? You'll have some, won't you?"

Evie's mental struggle was painful to watch. A gentle soul, she lived in horror of hurting anyone's feelings. Her difficulty was that, though her spirit was staunch as a trencherman's, she had a weak and treacherous stomach. Pale, but brave, she made her decision. "Yes, thank you, Daddy, I'll have some."

Mother, from whom Evie had inherited her internal instability, was not to be outdone. Almost unflinching, she took a helping too.

Lizzie joined the dastards. "Don't like pig so little," she said flatly, and returned to the kitchen to attend to the eggs.

Nobody seemed anxious to start. We sat and regarded the pig. Dad hadn't improved its appearance any.

Finally Buzz rose to her feet. "I can't stand it," she said hysterically. "It's looking at me I can't stand it!"

Evie turned a light chartreuse and rushed from the room.

Dad gave a despairing glance heavenward. "Lizzie!" he roared, "Take the damn thing away. We'll all have eggs. All of us. And," he added, fixing his bitter gaze on the spot where the platter had rested, "if ever I have the misfortune to live again, may it be in a monastery."

• •

MUCH of the original soil of Ellis Island—through which all immigrants pass on their way to the United States—came from foreign lands. In the early days of America, ships docking in New York harbor were permitted to dump their ballast of earth and rocks on the little island before taking on a cargo for the homeward voyage.

• •

THERE was once a city that was destroyed by silence. After a false report that the ancient Grecian city of Amyclae was about to be invaded, city leaders determined to prevent any future panic from rumors. They passed a law forbidding the spreading of any such report, under penalty of death.

When the Spartans were actually seen approaching the city, no one dared sound the alarm, and Amyclae was captured without a struggle.

CONCERNING FOOD

Mrs. Fisher Does an Anthology of World's Most Memorable Banquets

By JANET MARCH

"I'D rather eat in my own kitchen!" said a voice behind us in the movies as we watched the owner of Manderley and his new wife seat themselves at either end of a table which could accommodate twelve easily, and be served by the old family butler and an attending footman. "Gad! Look at the silver!" said a youthful member of the audience beside me as Mr. Hitchcock's camera focussed on an impressive line-up of spoons and forks. Even with these trimmings no one seemed to enjoy the meal very much, nor indeed any of the food which appeared in "Rebecca" (why don't they revive more of the good old movies?)

If you want to read about feasts which for the most part have been enjoyed through the ages you should buy "Here Let us Feast" by M. F. K. Fisher (The Macmillan Company of Canada, $4.50). This is a collection of accounts of banquets from the Twenty-Third Psalm down to a description of Robert Jordan's enjoyment of food in Hemingway's "For Whom the Bell Tolls". In the nearly five hundred pages in between M. K. F. Fisher waltzes through the merits of Chinese cookery, Pepys' tremendous meals, quotes as to Greek banquets, Brillat Savarin's famous "Physiology of Taste", Saintsbury's carefully chosen menus, right up to Bemelman's description of a party in the Cocofinger Palace Hotel in New York.

Greeks And Romans

The book is a collection of longish quotes describing feasts of every kind in many parts of the world. In between Mrs. Fisher writes rather too briefly some of her own views, too briefly because she herself is a good deal more entertaining than a great many of the writers she quotes, and to make the collection complete she should have included some of her own writing on food in her earlier books. I will remember some of her ecstatic descriptions of fine meals in "The Gastronomical Me" when Saintsbury's rather precious discourses on vintage wines are long forgotten. In fact her own opinion of the Greek Atheneus ten cookery books " . . . one of the most tiresome and at the same time most delightful collection that anyone could possibly read . . . " is applicable to her own collection.

I must admit that my own knowledge of historical cookery is not very deep so that I found the quotes describing the extreme elaborateness of Greek and Roman feasts fascinating. Here is a little bit of the description of a Roman feast from "The Satyricon" by Petronius Arbiter circa 50 A.D. It is pages long and the variety of the dishes and their fancy way of serving is staggering. This is what the guests were offered as a preliminary:

"Among the other *hors d'oeuvres* stood a little ass of Corinthian bronze with a packsaddle holding olives, white olives on one side, black olives on the other. The animal was flanked right and left by silver dishes on the rim of which Trimalchio's name was engraved and the weight. On arches built up in the form of miniature bridges were dormice seasoned with honey and poppy seed. There were sausages too, smoking hot, on a silver grill and underneath (to imitate coals) Syrian plums and pomegranate seeds." The rest of the dinner takes up seven pages.

Mrs. Fisher touches all phases of feasting and does not ignore cannibalism, quoting descriptions of Aztec human sacrifices and also the story from the Decameron of the knight who tricked his wife into eating her lover's heart. The most striking example of this type of feasting is one she quotes herself. "I was about eight years old when I read in an English newspaper an interview with a South Sea Islander studying at Oxford, and every startling casual word sticks in my mind and always will, although now for more clinical reasons than the innocent creepiness of my first thrill in it. 'Myself, I do not care much for human meat,' the princeling said in his precise impeccable accent. 'However, my father the King has often prevailed upon me to enjoy with him his favorite tidbit, the tiny fillet from the ball of the thumb!' "

There is a section of Chinese feasts with quotations from Lin Yutang and the American-reared Pardee Lowe who describes a ceremonial feast in which he took part. Lin Yutang remarks that no Chinese considers the fine points of food beneath him while Europeans often do. This statement should probably be put into the past as nowadays an interest in food seems pretty universal.

Sad Case Of Vatel

The nineteenth century writers, Thackeray, Dickens, Jane Austen, etc., are all quoted but perhaps because our own food habits have descended from them they do not seem to be as interesting. The sad case of Vatel, the Prince of Condé's chef, is told from the Letters of Madame de Sevigné. He committed suicide when the King of France was visiting his master because it appeared that there was to be a shortage of fish at one of the meals.

Sir Thomas More in his Utopia foretold the virtues of the communal kitchen which are now being considered, but he allowed that "all the uneasy and sordid services about these halls are performed by the slaves", and today it is hard to put your hand on a slave, so it is necessary to convert yourself into one.

The Mad Tea Party is here, the story of the fish fry from Marc Connelly's "The Green Pastures", part of "Dinner at the Rostov's" from Tolstoy's again popular "War and Peace", Swift's description of Gulliver's meals, pieces of Rabelais, and Lawrence feasting with Arab chiefs, are all included for your pleasure. M. K. F. Fisher believes that food, and its consumption is one of the most important things in the world. " . . . I could understand the ever-present fact stronger than ever in the books of the New Testament that the way to teach a new faith and to promise Heaven is to tell it as Christ did in terms of feasts, of full vineyards, of mighty catches of fishes, and brimming bottles."

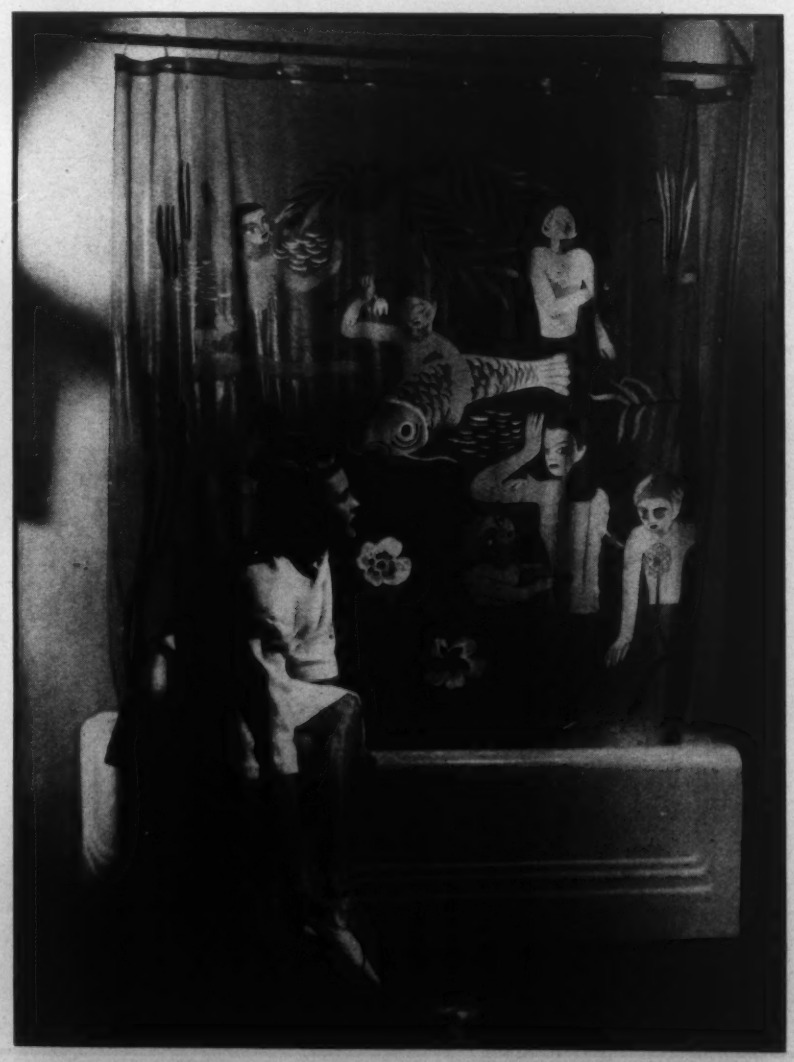
Native of Our Off-Shore Waters Lordly Tuna Fine Lenten Food

By JOSEPHINE H. LEGH

BY the ton or by the tin, tuna has become a substantial and appetizing Canadian food. You may prefer taking your pleasures by proxy in a comfortable chair with a thrilling story on deep sea fishing in one hand, and a tuna sandwich with all the fixin's in the other. If, however, you have ever hitched your row boat to the opposite end of a line holding an enraged bucking tuna you will appreciate the words of Zane Grey, dean of tuna fishers, "There lives no fisherman but what lives a tuna that can take the fight and conceit out of him".

Such battles have been known to last twenty-four hours, the outcome, sometimes, an exhausted fisherman who grimly cuts the line while the tuna vanishes into the deep with the equivalent of a horse laugh in the last disrespectful flourish of his tail. Plain horse mackerel to ordin-

Mink and brown velvet by Madame Reine, with mink tail cluster to one ear, brown velvet streamers tied as you wish.



Ilonka Karasz's "Bathers", an individual composition of colorful fish, flowers and bronzed bathers, is reproduced here on a hand-painted "Krene" shower curtain of blue plastic film. With similar reproductions of other paintings, it was exhibited as a mural at a recent press showing of plastic products sponsored by the National Carbon Company, Ltd.

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ary fishermen before becoming an exciting challenge to sportsmen, the tuna or properly Tunny is a rowdy big cousin of the Japanese Albacore, sometimes called deep sea chicken on account of its delicate white meat.

The flesh of our native tuna is reddish and rather coarse, as might be expected from its tough varnished appearing exterior. It is however very palatable and preferable to that of the Florida tarpon. Canned, it goes into the higher priced grades of fish and takes the place of the seldom seen extra fine salmon on our grocery shelves.

Near the Tusket Islands in the Western portion of Nova Scotia a six-knot tide-stream, the famous Soldier's Rip, attracts thousands of tuna which feed on herring and mackerel during the powerful ebb tide. The schools arrive early in July, their size ranging from a hundred and fifty to nine hundred pounds. Even a two hundred pounder is a lot of fish and not to be threaded on a line to take home for supper. You might cut steaks for all your friends and still have an embarrassment of riches so to the canneries with him after a snap shot for the edification and envy of non-vacationing fishermen.

For centuries the tuna has been of economic importance in the Mediterranean. It is rich in oil and food value and in that region has been known to reach the weight of fifteen hundred pounds.

Many tempting and novel dishes for the Lenten season may be prepared from canned tuna.

Tuna Canadienne

1 teaspoonful Worcestershire sauce
1 large can tuna
2 tablespoonfuls tomato catsup
Dash of caynne pepper
Pinch of salt and sugar

Flake the tuna. Place a heaping tablespoonful in each cocktail glass. Over this pour a sauce made by mixing the Worcestershire sauce, tomato catsup, salt, sugar and cayenne. Serve with strips of hot buttered toast.

Tuna Salad

In a wooden bowl place leaves from crisp head lettuce, diced tomatoes and cucumbers, green pepper strips, celery hearts. Sprinkle with salt, pepper and dry mustard, dash of paprika. Toss with wooden fork and spoon. Add 1 tablespoonful of vinegar and a few drops of lemon juice. Toss again. Add the contents of a medium can of flaked tuna and two chopped hard boiled eggs. Have all ingredients well chilled.

A bacon dressing for use with fish salads, tasty and economical during the scarcity of oils, is made by heating 1 cup of bacon fat slightly, adding 1/3 cup vinegar part of which may be lemon juice if preferred, 1 teaspoonful of dry mustard. Blend well.

Tuna Timbales

1 can red tuna
4 tablespoonfuls melted butter
4 eggs
½ cupful cracker crumbs
½ teaspoon minced parsley
Dash black pepper
Salt to taste

Chop tuna fine, rub into it the butter, parsley and pepper. Beat eggs well, add cracker crumbs and stir together. Put into individual moulds and steam 1 hour. Serve with white sauce to which has been added a teaspoon of anchovy sauce.

Tuna Sandwich

Flake tuna very fine with fork. Add a teaspoonful of lemon juice, half a cup of minced celery and a little mayonnaise which has been well seasoned. Spread on buttered bread slices. Add a crisp lettuce leaf before cutting.

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What's Wrong with My Hometown?

By EILEEN MORRIS

ALL visiting firemen delight in doing it. After spending a couple of days in a downtown hotel, they call in the reporters, and give an interview on "The Trouble With This Town Is. . . ." A few have the grace to wait until they are several hundred leagues beyond Mimico, but the stinging phrases always get back. The home of the Argos has the unhappy distinction of being the most browbeaten city on the continent.

The average citizen pays scant attention to the denunciations until he leaves town. My first experience with the Anti-Toronto League occurred when our train stopped at a way station.

"Bet you're glad to get out of that dead town!" a farmer exclaimed as he hoisted luggage into a wagon. "Had to live there long?" His voice held unspoken sympathy.

"All my life."

"Consider that now." He paused in his work to stare at me solemnly. "Say, try and have a right good time!"

Ottawa was my first stop. The lead question at every gathering was "Where are you from?" When I admitted "Toronto" there was an immediate hubbub. Even the Russian representatives looked aghast.

"Not Toronto!" a kindly dowager was amazed. "But my dear you don't act like a person from *that place*."

Because my spirit was not yet broken, I enquired, "How do Toronto people usually act?"

"Oh I don't know, sort of standoffish, you know what I mean!" Then she smiled disarmingly. "Do try the canapes, they are my special pride."

Having a natural longing to make friends and influence the right people, I deliberately changed my place of birth. Now it seems a shameful thing to do but, at the time, there was nothing else for it. Hamilton, London and Windsor served as temporary havens, and all were socially acceptable. One or two foreign attaches enquired if I had a sure way of getting stuff across the border, which was a friendly remark, making for further conversation.

The despicable act had to be dropped, however, for some well-meaning soul always came forward, leading a stray guest by the hand, with the exclamation, "I have someone here from your hometown! You two will have so much to talk over, I'll just leave you to it." I knew how goldfish feel when the cat's whiskers pop over the rim of the bowl.

Forced back into the ways of truth, I listened while self-styled wits pulled up my native heath by the handful.

Policemen on Horseback

"My God, your street cars! People jammed in like sardines." Unable to sit down due to injuries sustained on a Bank Street trolley, I gingerly shifted my weight from one foot to the other, and remained silent.

"The funny things you see in that town—cops jogging along on horseback, actually!" a business man chortled. I tried to set him straight, but it was obvious he would always picture Toronto's Finest pursuing the lawless on thundering steeds.

My work in Ottawa completed, I set out for Montreal in a happy frame of mind. Montrealers, I thought, would be an enlightened crowd.

"Only once, I visit in your city," a dark eyed mademoiselle confided sadly. She gave the impression that the whole thing had been a mistake.

"Faces there are so glum!" an *épicier* furrowed his brow expressively as he served me. When I answered I could see no difference between faces on St. James Street and those on Avenue Road, he gave a reproving "Poof!"

I was a seasoned traveller by the time I arrived in Quebec City. However, there were moments. . . .

"Ahh, Toronto, *mademoiselle!* Then of course you have much money, oui?" Clasping a seven year old coat about my shoulders, I intimated that all was not beer and skittles along Ontario's shore.

"To be in love in *Kebec* is so thrilling," a young heartbreaker murmured. "But Toronto, ugh, it must be so stuffy and proper!" Having hiked on Sunday over the Plains of Abraham, as well as through the High Park hills, I felt that love was pretty much neck and neck.

It was a subdued woman who arrived in Toronto one bright morning. Sunlight gently brushed the skyscrapers and neon signs, as I tried to recall every well-aimed dig I had listened to during my trip. But in spite of every caustic comment, it was good to be back again. And that is our worst fault—Toronto people are *so* complacent about that town!

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On sinks, tubs, pans, in *all* your cleaning—discover what tests have proved. Old Dutch is fastest, easiest *by far* of *all* leading cleansers!

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"I have the answer for Uncle Harry!"

TED KNOWS IT will flatter the rich old dear to find his picture in a place of honour . . . but *I* know how fussy he is—never misses a trick! So out of the linen cupboard come my precious Colonial sheets and pillow cases. He'll like their crisp, smooth finish, and I can just hear him saying to himself: "Hrrmph! Ted's wife *is* a sensible young thing!"

IF YOU CAN'T buy all the Colonial bed linen you want right away, don't be discouraged—you'll get it eventually—just keep on asking for it.

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CANADA'S FINEST
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THE OTHER PAGE

Of Dolly and Charlie

By J. E. MIDDLETON

DOLLY was in town the other day, on her way back to Rochester. She had spent two weeks up-country with a flock of cousins and former pupils. For she had taught a one-room school, not too far from Owen Sound, for seven years and had had fun all the time.

But the fine old Oakville homestead was sold after her parents died and Brother Charlie bought a fruit farm near Rochester, N.Y. At that time a Rochester hospital was calling for student-nurses and Dolly volunteered. She had always felt that nursing was her proper job.

So she trained, and graduated with high credits. Since then, for twenty years or so, a row of doctors had kept her as busy as a Cossack dancer. Charlie prospered and seemed well-content in the Other Country. Dolly prospered too, but her mind kept turning towards Home. Every vacation-period found her not far from Owen Sound, for, while "youth's a stuff will not endure," the friendships, the ideals and the memories of youth persist, and keep on persisting.

"Yes," she said (having looked me up to swap reminiscences), "Rochester's a fine city to live in, but, for me, it's no place to die in. Some day when daily work gets too tough I'm coming back to stay. And I must tell you about Charlie. Last summer he and three other Rochester men came north on a fishing trip. The trout must have been biting, for, ever since, this Yankee brother of mine can't talk of anything but Canada. Algonquin Park was not the only attraction. He found the Oakville region greatly improved, and the spread and speed of Toronto astonished him. Besides, he ran into a score of men whom he knew as a boy; all prosperous and well-satisfied."

She paused to laugh. "Something has been happening in what he calls his mind," she went on, "for the night I was leaving he said, 'My place is getting too much for me, with labor so scarce. I have a notion that I might sell out and go back home. One of the Chisholm boys was telling me last summer that the old Smith place, east of us on the Lake shore, will soon be on the market. Only sixty acres, but it's about my size nowadays.' What do you know about that? Charlie, talking about 'home!' You remember Charlie?"

I surely do, for once there was a Christmas house-party at the Oakville place, Charlie and his brother being the life of it. One of them made special preparation for that party by refusing to shave for a full three weeks. The red result he produced was more a thicket of carrots than a beard. The girl-guests, who expected something special in Dolly's brothers—she being special—had their expectations more than realized, especially on a raging, blizzard-y morning when one came downstairs in pyjamas, a dressing-gown, slippers and solemnity, and with a towel over his arm, all ready for a dip in the roaring lake. He even went out the front door, leaving the girls gasping, but skipped around to the back in short order. Yes; Dolly and her family made a happy gang.

There's nothing particularly new in the modern complaint that too many of our young people are deserting Canada for the United States. Far away fields have always looked green. Often they are, though not always. And I can recall many men of promise who migrated, and, after a few years, came back to apply their energy and experience in Canadian industry and affairs.

Naturally a good many stayed in the Southland and prospered, but there was always a compensating movement northwards. I think at this moment particularly of a gallant Virginian who became a fellow-citizen in the early days of the First Great War, raising and equipping at his own expense a complete battalion of infantry. Or of the New England representative of a big American industry who came to manage the Canadian branch. He was a Harvard man, like his father and grandfather, and his great-grandfather had been a President of the United States. Yet he too became a citizen.

And who can forget the long procession of soldierly lads from the Republic who trained in our air-fields long before the United States was at war? Professor Frank Dobie, speaking of that movement, said "There are as many Texans in the R.A.F. as there are fiddlers in Hell."

These two North American countries, differing in political outlook and tradition are united in spirit and ideals, as in language. They are good neighbors. How else than friendly can they be when so many families on this side of the Lakes follow a pattern indicated in the following rhyme?

"One brother lives in Idaho,
Another in Spokane.
A sister married in St. Joe
A fine Wisconsin man.
Chicago has a niece or two,
New York a perfect flock,
And seven cousins daily do
Their work in Little Rock.
But all of them, wherever they may go,
Think of the homestead in Ontario."

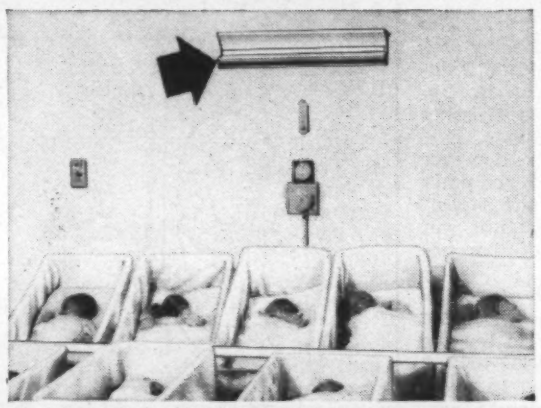
Bishop's College School
LENNOXVILLE, QUE.
110th YEAR
CRAWFORD GRIER, M.A., E.D., HEADMASTER

HEALTH CONDITIONING

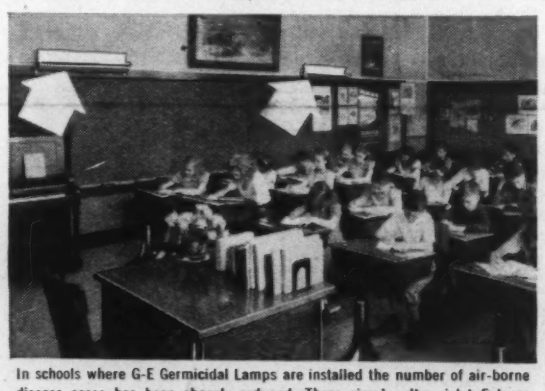
by

GENERAL ELECTRIC

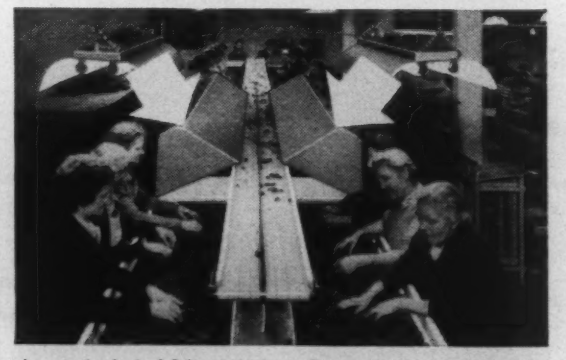
GERMICIDAL LAMPS



Hospitals are using Germicidal Lamps to disinfect the air in nurseries, surgeries and contagious wards. Many have reported decreases of from 50% to 80% in such infections as colds, bronchitis, pneumonia and influenza.



In schools where G-E Germicidal Lamps are installed the number of air-borne disease cases has been sharply reduced. These simple ultra-violet fixtures improve health conditions wherever they are installed.



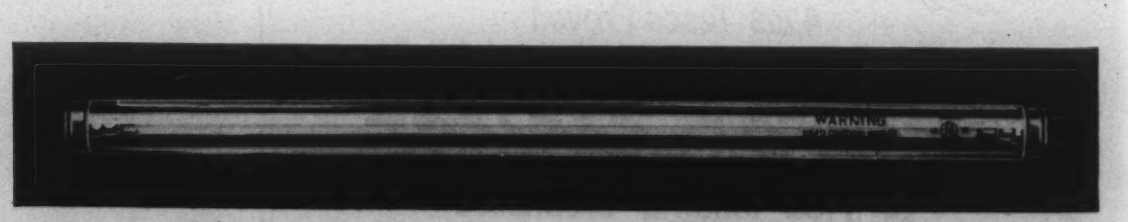
In protecting foods, G-E Germicidal Lamps find many applications. Both mold spores and air-borne contamination are killed by the rays. Here cherries are being irradiated before packing, resulting in great reduction in spoilage.

Poultry and stock are being protected by G-E Germicidal Lamps. In one experiment, unprotected chickens had a mortality rate of 2.5%, while protected chicks suffered only .8% mortality and were 14% heavier.

G-E Germicidal Lamps help maintain good health by generating ultra-violet rays indoors to destroy germs. Tests have proved that colds and infections can be cut down by reducing the number of air-borne germs, spores and viruses in a room. Germicidal lamps therefore can contribute greatly to better health by reducing chances of infection in schools, offices, theatres, hospitals . . . wherever people congregate.

In addition these lamps may be used in restaurants to sterilize cutlery and glassware . . . in food and drug-packing plants to prevent growth of mold . . . on the farm to safeguard poultry and animals.

It is not claimed that the use of these lamps will put an end to colds and all types of air-borne infection. However, the likelihood of catching them can be reduced this way. They are easy to install and your nearest C.G.E office will give you full information.



The G-E Germicidal Lamp is a tube of clear glass, in 4 sizes. It should be installed in proper fixtures so its light is not directly visible. Controlled installations under scientific test conditions have already proved marked decreases in respiratory infections in schoolrooms; and reduced contamination in food processing.

CANADIAN GENERAL ELECTRIC CO LTD
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Great Uncle With Zebra

By MARY QUAYLE INNIS

MR. MICAWBER and Mrs. Wiggs of the Cabbage Patch presumably never met, but they appear to be the spiritual ancestors of the great company of eccentrics who posture at present on the literary stage. A writer within the current vogue who possesses normal relatives is under a handicap until he can invent quaint or outrageous ones. Judging from popular autobiographical books of the moment, writers come not only from a long line of married people but from a line of characters, all colorful, all exuberant.

Science may yet supply reasons why so few writers seem to come out of balanced homes where mother and father pulled an equal weight. There is the dominating or Clarence Day father married to a wife, sprightly like Vinnie, or meek and cowed but in her own way submissive. Or there is the managing, resourceful mother like Mama in "Mama's Bank Account," who has also been made the heroine of a successful play, and who sustains a husband either gay and irresponsible or mystical and remote.

The friction generated in homes like these seems to produce writers. Whether a given writer was once the shy, sensitive child whose gentleness was considered simple-minded or the little hellion whose antics people mistook for plain cussedness, no one, in his youth, really understood him.

If the family is poor it may belong to one of two classes. There are the gay-poor, shiftless but merry, who win bets, find gold watches (to lose them on the way home), and profit from a continuous succession of lucky accidents but never profit long. They live in a blithe series of ups and downs, feasting and fasting with unimpaired good cheer, getting ahead of and ridiculing their sober, hard-working neighbors.

But these neighbors, the hardy-poor, are got ahead of only for the moment. Brave under difficulty, brimming with pioneer spirit, the hardy-poor mother makes her daughter a smart three-piece suit out of gunny sacks while the hardy-poor father, with a few boards and the dried paint left in the bottom of a can, improves a chicken house into a neat cottage accommodating six persons. Mother and father, however, rarely belong to the same type; this would make things too simple. A hardy-poor mother is married to a gay-poor father or the other way round so that the efforts of the one and the fantasies of the other provide variety and prevent either steady improvement or too rapid decline.

Well-to-do parents are less numerous but they also belong to one of two types. Gay-rich parents travel inconsequently, throw silver dollars out of windows and eat caviar for breakfast. Hardy-rich or miserly parents are often faddists bringing up their children on bran bread, cold baths and generally unnecessary self-denial.

Beyond the writer's immediate family stretches the bright, wide-open field of his relatives, the covered wagon great-grandmother who wore a satin ball gown across the plains, the Gold Rush great-uncle who wore nuggets on his watch fob, all the roguish, uninhibited troop. With them come the aunts, belles or recluses, the uncles, bluff or pious, the landlords, neighbors, hired girls (James Thurber is the old master in the field of queer hired girls), store keepers, preachers, the fishermen, halfbreeds, country lawyers, gamblers and pretty ladies, innuendoed but pure in heart.

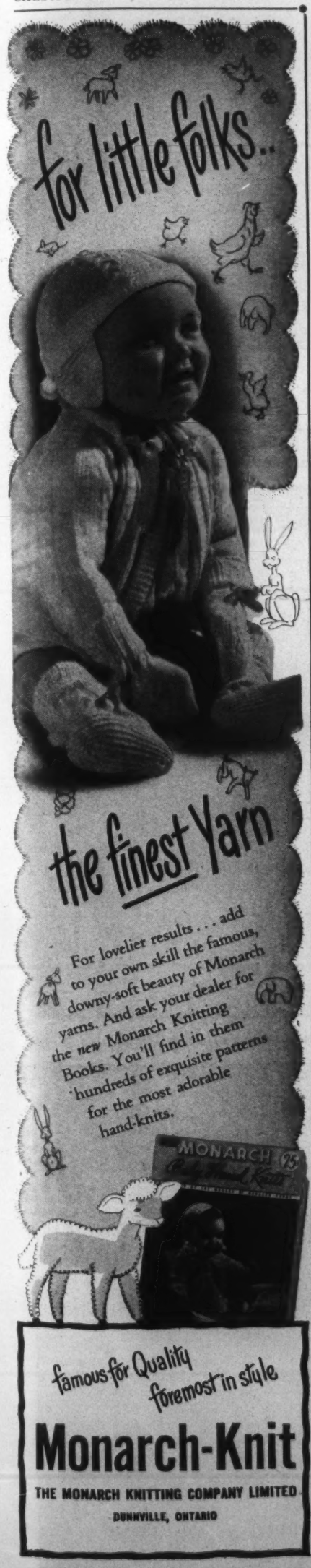
THESE eccentrics range all the way from famous figures like Alexander Woollcott who furnishes forth many books and at least one play, to Farmer Kettle in "The Egg and I," and eccentricity is exploited, very often, not as an expression of personality but for laughs. We are given characters instead of character.

We are invited to retreat not only into a world of quaint mannerisms but to remote places, to take in boarders in the southwest in "Chicken Every Sunday" or grapple with skunks in the northeast in "We Took to the Woods." A surprising number of people have settled in abandoned sawmills, lighthouses, canneries, on rafts, back of beyond in forests and deserts, and are prepared to be nostalgic about it.

Perhaps the most popular escape of all is that in time. Many books might be heralded by the blurb used for one of them, "For lovers of the naive charm of the eighties, the hilarious behavior of a wonderful, wonderful family." All the families are wonderful, if not wonderful, wonderful, most are hilarious and no one seems yet to have had enough of the naive charm of the recent past. With bustles on our evening dresses and in the smartest houses a treadle sewing machine painted green and draped with ivy, we can feel at home in many of the books we read, while on the stage we can see the surrey with the fringe on top, bloomer girls, Currier and Ives prints come to life and to furious popularity.

It is clear that to residents in an atom-bomb world the antimacassar and the plush album look reassuring. To middle-aged ears the melodeon may drown out the juke box, and to contemporaries of concentration camps, queer antics in villages look pleasantly silly and safe. The whole charm of the funny-relative and the far-away-and-long-ago book is summed up in the title of one of the most artless of them, "The Happy Time."

It would be a change at least to have one more relative-book about an ordinary home, a healthy, happy child with cheerful aunts, respectable uncles, normal parents. But do such exist? Perhaps "normal" is a word used on charts; perhaps a child so brought up would be too well adjusted to write anything but checks. And before the door is locked, let me tell you about my great-uncle who tamed a zebra and drove it to church—!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FINANCE
INSURANCE

THE BUSINESS FRONT

THE MARKET
GOLD AND DROSS

Safety for the Investor SATURDAY NIGHT, TORONTO, CANADA, FEBRUARY 15, 1947 *P. M. Richards, Financial Editor*

Forces Should Provide Labor for Industry

By JOHN L. MARSTON
Saturday Night's Financial Correspondent in London

Britain's economic position is officially described as "extremely serious" in the recent White Paper on the subject, but the advice given to remedy the situation, although excellent, is not new. A certain cure is, of course, sufficiently increased production, both to help exporters and to defeat inflation at home, and this means more fuel and manpower, says Mr. Marston.

The only reserve of manpower in Britain is in the armed forces which are being kept at an unwarrantably large strength, and failure by the Government to grasp the opportunities of the present sellers' market may prove fatal to Britain's foreign trade.

London.

THE White Paper on economic considerations affecting the relations of workers and employers is a major document of the time. It has an all-party character, in that it was prepared by the Government and endorsed by a body representing both employers and trade unions, the National Joint Advisory Council.

The fact that employers and trade unionists are both willing to accept it suggests that it may comprise pious aspirations with which no one can find fault, and recommend none of those concrete measures which are by their nature controversial. That is, in fact, the White Paper's character.

It is an achievement, however, to get acceptance of so grim a survey of Britain's difficulties, for grim this certainly is. The economic position is officially described as "extremely serious". All the warnings of the Jeremiahs are gathered together and reproduced here: shortage of manpower and a low standard of efficiency, giving an overall inadequacy of production; slow progress of the export drive, giving a deficit of £336 million on overseas trade in 1946; the danger of inflation, with goods and services valued at £6,000 million annually to meet the people's net total income (after income-tax) of £7,000 million.

In this impending crisis, what remedies are proposed? We must increase production. Management and employees must work together to achieve maximum efficiency. The effects of increased output per head must not be lost in an inflationary rise in costs and prices. The export drive must be pressed home to the objective of 175 per cent of 1938 volume. Essentially, manpower in the basic industries must be brought up to full strength.

This is all excellent advice, but it is not new advice. The ailment has been diagnosed many times, and there is no conflict of qualified opinion on the result. What is wanted now is a cure.

Leaving aside all the secondary matters, the essential is: increase production. Thereby the joint aims of raising the standard of living and of re-equipping industry can both be realized—at present no one knows whether official policy is austerity now to achieve a full life in the future, or better living now and "hope for the best" in the future.

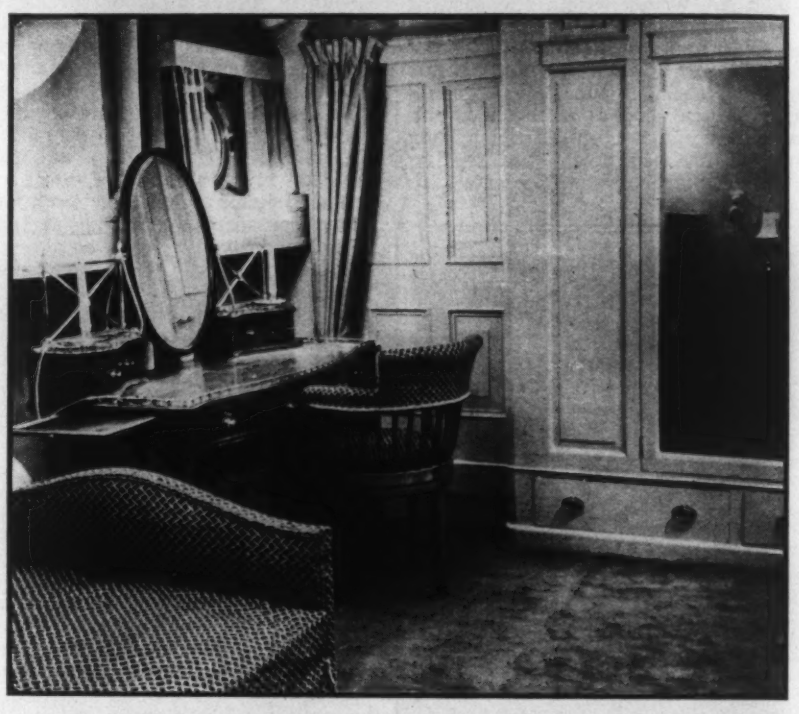
Need is Production

With plentiful production, the export industries can take full advantage of the sellers' market while it lasts, and Britain can import on a normal scale without running further into debt—last year imports were only 70 per cent of the 1938 total, and still not nearly met by exports. With more goods on the home market, the danger of inflation will disappear.

No manner of expedients will raise production without plenty of fuel to

(*Continued on Next Page*)

George VI, King of U.S.A. Will Begin His Tour on Monday



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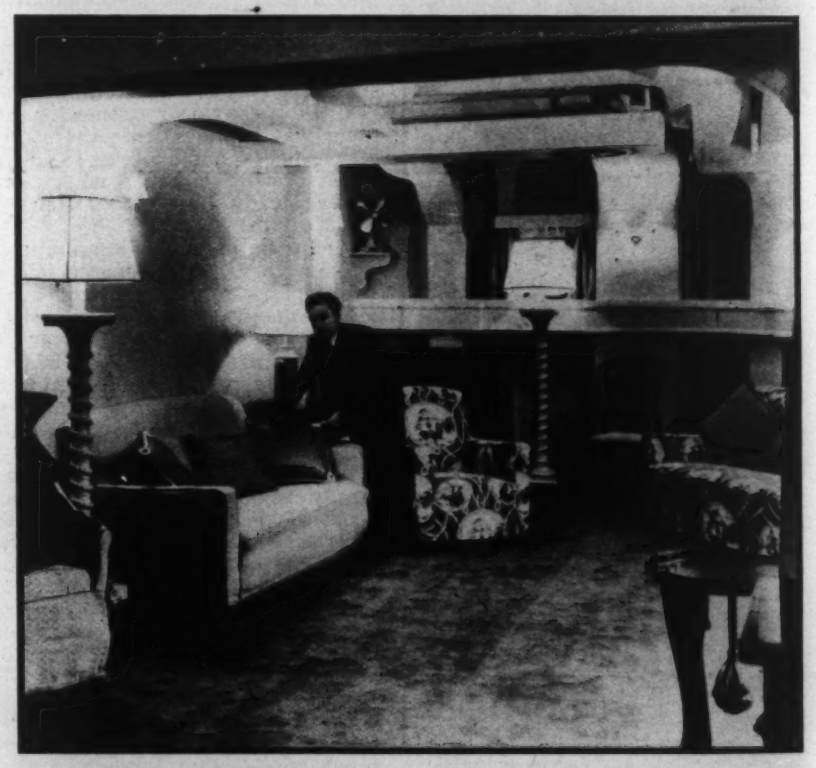

. . . cabin aboard H.M.S. Vanguard, lounge, and Princess Elizabeth's cabin.

THE BUSINESS ANGLE

Britain's Export Predicament

By P. M. RICHARDS

CANADA'S interest in Britain's postwar economic difficulties is much more than sentimental. For many years before the war Britain was Canada's best customer, incidentally buying from us much more than we took from her, and this country has a very practical concern in the process of re-establishment of British prosperity. Reports from England on the disturbingly rapid consumption of the U.S. and Canadian loans and the recent failure of the export drive to make the headway deemed essential for Britain's economic salvation, coupled with raw material and manpower shortages and industrial shutdowns due to the fuel crisis, have created widespread alarm here about Britain's position and future.

Is Britain bankrupt? A British editor said so last week, but the British tend to look on the dark side and, anyway, a nation, particularly one like Britain, doesn't go bankrupt like a corporation. Actually the gloom seems to be rather overdone. It is true that Britain had a visible adverse balance of trade for 1946 of about $1.3 billion, but this is far less than was anticipated in the U.S. loan negotiations and is only a little over one-half the adverse balance for 1945. Furthermore, Britain can sell plenty of goods abroad, despite all the production and transportation handicaps; the difficulty is to sell them to the countries which will give her what she needs in return. Dr. Paul Einzig, the British financial expert, says it is now being realized in England that the result of export surpluses to countries which do not pay for them either because they have no gold reserves or because they are Britain's creditors, is in practice simply to relinquish a large part of the dollar loans in favor of those countries.

Too Easy to Sell to Some

For there can be no doubt about it, he says, that the deficit of Britain's trade balance with "hard currency" countries is to a by-no-means-negligible extent due to the surplus of its trade balance with "soft currency" countries and with countries holding blocked sterling balances. The volume of goods available for export is not unlimited, and the ease with which they can be sold on the continent, in the Empire and in the Middle East undoubtedly slackens the exporters' efforts to sell them in the Western Hemisphere.

The exchanges of most "soft currency" countries are grossly overvalued in relation to sterling, Einzig says. It is therefore very easy to export to such countries at a substantial profit. As for countries with blocked sterling balances, they go out of their way to buy all the British goods they can, in order to reduce their balances before the conclusion of the funding agreement.

The "hard currency" countries are neglected in consequence by many British exporters, and the deficit in relation to those countries has to be covered out of the proceeds of the U.S. and Canadian loans. Were it not for the "success" of the export drive to countries which do not pay for the British export surplus, the rates at which these loans are being used up would be much slower.

Need for Diversion Admitted

All this is now realized in Britain, and the necessity for diverting the export drive towards "hard currency" countries is freely admitted. Even such a firm supporter of *laissez-faire* as Britain's Professor Lionel Robbins admits reluctantly the necessity for "doing something" about diverting exports from countries which do not pay for them. But neither he nor anyone else has publicly put forward any constructive suggestions. The government, so far, has merely expressed the desire that exporters should concentrate on the "hard currency" countries, and Dr. Einzig doubts that such an appeal can be effective now. If a private firm can make 25 per cent profit by selling to France and only 5 per cent by selling to the United States, it is obvious where its limited supplies will go.

To channel exports towards "hard currency" countries, Dr. Einzig offers these suggestions: (1) The system of licensing exports might be restored, and licenses would be granted more freely to "hard currency" countries; (2) Allocation to manufacturers of fuel and raw materials—in so far as they are in the government's hands—would be made conditional upon the export of a certain percentage of output to "hard currency" countries; (3) Under the Supplies and Services Act the government could issue orders directing particular companies to export to the desired destinations; (4) The Export Credits Guarantee Department could discontinue or curtail the issuing of insurance policies to cover the transfer risk on undesired exports; (5) The blocked sterling balances (which at present are only blocked in the sense that they cannot be converted into currencies outside the Sterling Area) could be blocked in the real sense of the term, so that thereafter only sterling derived from current exports to Britain would be available for the purchase of British goods, pending the funding of the old balances. Dr. Einzig says the last suggestion is of particular importance, as it would materially strengthen Britain's none-too-strong bargaining position in the coming negotiations.

It is apparent that Britain's position is a difficult one and that there should be forbearance by all countries in coming trade conferences. At best, Britain cannot be expected to hold henceforth the keystone place in world trade she occupied so long; this position now goes to the United States. But the world needs a prosperous Britain, none more than Canada.

(*Continued from page* 38)

give motive-force to industry. The trend of coal output is encouraging, but production is still those few critical million tons below consumption—and more drastic rationing than ever is now in force. In this work, at any rate, output per head is higher than before the war; but there are fewer miners.

Essential industries and agriculture are, according to the official estimate, short of about 700,000 workers. It is imperative that this shortage be made good. If no fresh labor is available some must be diverted from less-essential activities, but it is obviously best to increase the total of manpower. The White Paper makes no suggestion how this may be done.

Foreign Workers

There are foreign workers. In a recent detailed survey of the economic position for *Lloyds Bank Review* the leading economist, Professor Lionel Robbins, advocated extensive use of foreign workers such as the dissident Poles. German labor has transformed the coal production of France. However, the number of Poles in this country who are able and willing to work in the mines is shown, now that the principle of using them has been agreed, to be pitifully small. It is all very well to talk of immigration, but many countries besides Britain are trying to reconstruct with inadequate manpower.

Women flowed out of industry month after month following the end of the war. Recent figures have shown the trend halted, if not reversed, but there is no possibility of regaining the high wartime levels of female employment without restoring wage rates at least to wartime levels.

Of the basic industries textiles are most concerned with female labor — though agriculture could use more of it with great advantage. It can be an important factor in releasing men from other duties, for instance in engineering. It cannot solve the basic problem—inadequate output from the coal mines, due to lack of miners.

Where the shortages are specifically of manpower, as distinct from womanpower, the only reserve of labor relevant to the problem is in the armed forces. One and a half million is a huge total for a nation of modest population to maintain under arms in times of peace (with nearly another half-million engaged on supplying them); and the £300 million a year overseas expenditure is a very heavy drain on foreign exchange resources, including the dollar loans.

From a Government, something more than exhortations is required: what people expect in a situation admittedly so serious as the present is a clear policy, enforced by action.

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NEWS OF THE MINES

Manitoba's Nickel Possibilities Attract Widespread Attention

By JOHN M. GRANT

THINGS ARE happening in Manitoba!

Things are also happening to mining share prices on the Toronto Stock Exchange!

A major new nickel-copper field appears in the making in northern Manitoba!

Shares of Sherritt Gordon Mines recently touched a new 17-year high, while God's Lake Gold Mines stock attained an 11-year peak.

It was the Lynn Lake discoveries of Sherritt Gordon which attracted widespread attention to the area and brought about the pace quickening action on the stock market.

God's Lake ranks second to Sherritt Gordon in claim holdings in the presently "hot" district.

•

Of outstanding interest in Manitoba in 1946 was the success that attended the diamond drilling exploration engaged in by Sherritt Gordon in the vicinity of Lynn Lake, in the Granville Lake district. This work last year in three orebodies indicated approximately 5,000,000 tons of ore, averaging 1.18 per cent nickel and 0.60 per cent copper, to a depth of 1,000 feet. Sparking the new excitement, however, was the encountering of spectacular results in the first drill hole in another anomaly. In what is known as the "L" orebody drilling encountered an exceptional length (over 570 feet) of continuous high grade nickel. Three more holes are drilling at time of writing, while the first hole from 35 feet to 611 feet, where it was stopped, gave an average of 4.78 per cent nickel and 1.68 per cent copper.

•

Big things seem in sight for Manitoba. The past year saw over 3,000 claims recorded, the greatest number since 1929, and several areas figured in the revived activity. In the face of recent developments it is interesting to note that only indifferent results were met with by Sherritt Gordon and other companies over a period of years in exploring the Granville Lake section. About 70,000 feet of drilling was completed on three of the Sherritt orebodies, "A," "B" and "E," with results mentioned above. It is further a reasonable assumption these orebodies will provide a substantial additional tonnage below that horizon. Also worth remembering is the fact that this is a larger proven tonnage of ore than when Sherritt Gordon was equipped for production in 1931.

•

The location of the large Lynn Lake claims holdings of Sherritt Gordon is about 120 miles north of Sherridon, at the location of the original mine, and the initial discovery that caused the extensive diamond drilling program and the defining of large nickel-copper orebodies, was a small exposure of nickel-copper sulphides in an otherwise drift-covered area. Due to the location of the claims the bringing of the deposits into production will involve building a railway to the property, the development of hydro-electric power and an extensive program of underground development, the whole involving an estimated $25,000,000 capital investment. Two good power sites are said to be within reasonable distance of the company's claims, and announcement was made last week that Sherritt Gordon and God's Lake had made plans for the development of a power site, good for 100,000 h.p. on the Churchill River. This is taken as indicative of the expectations held by those interested as to the possible magnitude of the northern Manitoba nickel - copper area.

•

To justify such an extensive development program, at least 20,000,000

(*Continued on Page* 43)

A Leading Canadian Trust Company Reports Another Progressive Year of Business Increase - Lower Profit

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Forty-Seventh Annual Report
for the year ended 31 December, 1946

EARNINGS *From fees and investments*	(Up $295,000)	$3,452,000
EXPENSES	(Up 352,000)	2,718,000
PROFIT *Before taxes*	(Down 57,000)	734,000
TAXES	(Up 1,000)	294,000
NET PROFIT	(Down 58,000)	440,000
DIVIDENDS	(Unchanged)	380,000

CAPITAL, RESERVES AND SURPLUS
$8,163,000

ASSETS UNDER ADMINISTRATION
$901,000,000

Excerpts from Addresses at Annual Meeting, 11 February 1947

PRESIDENT

Canada is in many respects in an enviable position. Much real progress has been made in recovering from the dislocations and setbacks of war. Yet it cannot be denied that there is widespread anxiety that the economic initiative of the country is not being given the scope and the encouragement that would enable it to make plain its true power.

There seems to be a tendency to believe that profits represent an excess over need, and that this excess the state may properly appropriate. But this type of thought and practice depletes the whole dynamic of a free economic system. It is not merely a hindrance, nor an annoyance, nor only a discouragement. It is impoverishing the very soil which must yield the new business of the years to come.

There are signs that people and Government alike may be returning to the realization of the fundamental economic truth that whatever regulations may be found desirable in the public interest, the most natural and the most fruitful role of Government comes from what it may be able to do to reduce all that restricts and discourages, and to assist all that may release the immeasurable potentialities that lie in free individual effort and responsibility.

GENERAL MANAGER

The continued downward trend of interest rates is our greatest cause for concern in the investment of moneys entrusted to our care, and the problems which it presents are ever before us. For many investors who have no earning power, the situation is acute, and in some cases even desperate. They are truly the victims of circumstance and deserve more than passing sympathy.

Our particular charges are widows, orphans and other beneficiaries dependent upon the life savings of their former providers, and they are caught hopelessly and helplessly between high income taxes and substantially lower income returns. We would urge once more that the whole position of these dependent investors be given sympathetic consideration by the Government.

Our Company has played a leading role in providing the people of Canada with dependable trust service, as the growth of our business shows. Our record of progress is, I think, impressive, and, with trust companies solidly established in Canada and having proved beyond question their importance and benefit to the community, we can look forward with confidence to continued expansion of our business.

THE ROYAL TRUST COMPANY
CORPORATE SECURITY — PERSONAL SERVICE

OFFICES ACROSS CANADA FROM COAST TO COAST

Halifax, Saint John, Quebec, Montreal, Ottawa, Toronto, Hamilton, Winnipeg, Calgary, Edmonton, Vancouver, Victoria, St. John's, Newfoundland, London, England

Forces Should Provide Labor for Industry

By JOHN L. MARSTON
Saturday Night's Financial Correspondent in London

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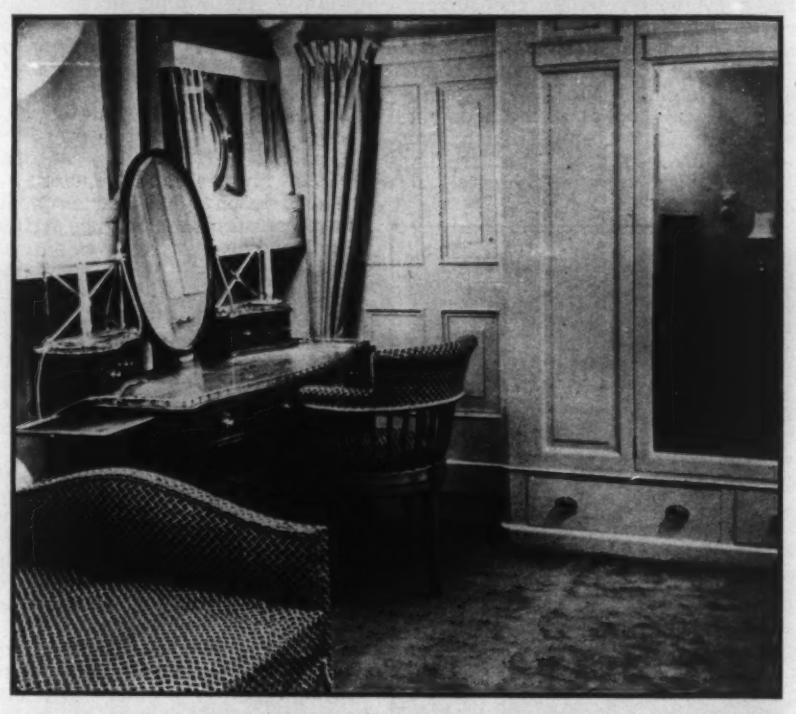

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. . . cabin aboard H.M.S. Vanguard, lounge, and Princess Elizabeth's cabin.

THE BUSINESS ANGLE

Britain's Export Predicament

By P. M. RICHARDS

CANADA'S interest in Britain's postwar economic difficulties is much more than sentimental. For many years before the war Britain was Canada's best customer, incidentally buying from us much more than we took from her, and this country has a very practical concern in the process of re-establishment of British prosperity. Reports from England on the disturbingly rapid consumption of the U.S. and Canadian loans and the recent failure of the export drive to make the headway deemed essential for Britain's economic salvation, coupled with raw material and manpower shortages and industrial shutdowns due to the fuel crisis, have created widespread alarm here about Britain's position and future.

Is Britain bankrupt? A British editor said so last week, but the British tend to look on the dark side and, anyway, a nation, particularly one like Britain, doesn't go bankrupt like a corporation. Actually the gloom seems to be rather overdone. It is true that Britain had a visible adverse balance of trade for 1946 of about $1.3 billion, but this is far less than was anticipated in the U.S. loan negotiations and is only a little over one-half the adverse balance for 1945. Furthermore, Britain can sell plenty of goods abroad, despite all the production and transportation handicaps; the difficulty is to sell them to the countries which will give her what she needs in return. Dr. Paul Einzig, the British financial expert, says it is now being realized in England that the result of export surpluses to countries which do not pay for them either because they have no gold reserves or because they are Britain's creditors, is in practice simply to relinquish a large part of the dollar loans in favor of those countries.

Too Easy to Sell to Some

For there can be no doubt about it, he says, that the deficit of Britain's trade balance with "hard currency" countries is to a by-no-means-negligible extent due to the surplus of its trade balance with "soft currency" countries and with countries holding blocked sterling balances. The volume of goods available for export is not unlimited, and the ease with which they can be sold on the continent, in the Empire and in the Middle East undoubtedly slackens the exporters' efforts to sell them in the Western Hemisphere.

The exchanges of most "soft currency" countries are grossly overvalued in relation to sterling, Einzig says. It is therefore very easy to export to such countries at a substantial profit. As for countries with blocked sterling balances, they go out of their way to buy all the British goods they can, in order to reduce their balances before the conclusion of the funding agreement.

The "hard currency" countries are neglected in consequence by many British exporters, and the deficit in relation to those countries has to be covered out of the proceeds of the U.S. and Canadian loans. Were it not for the "success" of the export drive to countries which do not pay for the British export surplus, the rates at which these loans are being used up would be much slower.

Need for Diversion Admitted

All this is now realized in Britain, and the necessity for diverting the export drive towards "hard currency" countries is freely admitted. Even such a firm supporter of *laissez-faire* as Britain's Professor Lionel Robbins admits reluctantly the necessity for "doing something" about diverting exports from countries which do not pay for them. But neither he nor anyone else has publicly put forward any constructive suggestions. The government, so far, has merely expressed the desire that exporters should concentrate on the "hard currency" countries, and Dr. Einzig doubts that such an appeal can be effective now. If a private firm can make 25 per cent profit by selling to France and only 5 per cent by selling to the United States, it is obvious where its limited supplies will go.

To channel exports towards "hard currency" countries, Dr. Einzig offers these suggestions: (1) The system of licensing exports might be restored, and licenses would be granted more freely to "hard currency" countries; (2) Allocation to manufacturers of fuel and raw materials—in so far as they are in the government's hands—would be made conditional upon the export of a certain percentage of output to "hard currency" countries; (3) Under the Supplies and Services Act the government could issue orders directing particular companies to export to the desired destinations; (4) The Export Credits Guarantee Department could discontinue or curtail the issuing of insurance policies to cover the transfer risk on undesired exports; (5) The blocked sterling balances (which at present are only blocked in the sense that they cannot be converted into currencies outside the Sterling Area) could be blocked in the real sense of the term, so that thereafter only sterling derived from current exports to Britain would be available for the purchase of British goods, pending the funding of the old balances. Dr. Einzig says the last suggestion is of particular importance, as it would materially strengthen Britain's none-too-strong bargaining position in the coming negotiations.

It is apparent that Britain's position is a difficult one and that there should be forbearance by all countries in coming trade conferences. At best, Britain cannot be expected to hold henceforth the keystone place in world trade she occupied so long; this position now goes to the United States. But the world needs a prosperous Britain, none more than Canada.

(*Continued from page* 38)

give motive-force to industry. The trend of coal output is encouraging, but production is still those few critical million tons below consumption—and more drastic rationing than ever is now in force. In this work, at any rate, output per head is higher than before the war; but there are fewer miners.

Essential industries and agriculture are, according to the official estimate, short of about 700,000 workers. It is imperative that this shortage be made good. If no fresh labor is available some must be diverted from less-essential activities, but it is obviously best to increase the total of manpower. The White Paper makes no suggestion how this may be done.

Foreign Workers

There are foreign workers. In a recent detailed survey of the economic position for *Lloyds Bank Review* the leading economist, Professor Lionel Robbins, advocated extensive use of foreign workers such as the dissident Poles. German labor has transformed the coal production of France. However, the number of Poles in this country who are able and willing to work in the mines is shown, now that the principle of using them has been agreed, to be pitifully small. It is all very well to talk of immigration, but many countries besides Britain are trying to reconstruct with inadequate manpower.

Women flowed out of industry month after month following the end of the war. Recent figures have shown the trend halted, if not reversed, but there is no possibility of regaining the high wartime levels of female employment without restoring wage rates at least to wartime levels.

Of the basic industries textiles are most concerned with female labor — though agriculture could use more of it with great advantage. It can be an important factor in releasing men from other duties, for instance in engineering. It cannot solve the basic problem—inadequate output from the coal mines, due to lack of miners.

Where the shortages are specifically of manpower, as distinct from womanpower, the only reserve of labor relevant to the problem is in the armed forces. One and a half million is a huge total for a nation of modest population to maintain under arms in times of peace (with nearly another half-million engaged on supplying them); and the £300 million a year overseas expenditure is a very heavy drain on foreign exchange resources, including the dollar loans.

From a Government, something more than exhortations is required: what people expect in a situation admittedly so serious as the present is a clear policy, enforced by action.

NEWS OF THE MINES

Manitoba's Nickel Possibilities Attract Widespread Attention

By JOHN M. GRANT

THINGS ARE happening in Manitoba!

Things are also happening to mining share prices on the Toronto Stock Exchange!

A major new nickel-copper field appears in the making in northern Manitoba!

Shares of Sherritt Gordon Mines recently touched a new 17-year high, while God's Lake Gold Mines stock attained an 11-year peak.

It was the Lynn Lake discoveries of Sherritt Gordon which attracted widespread attention to the area and brought about the pace quickening action on the stock market.

God's Lake ranks second to Sherritt Gordon in claim holdings in the presently "hot" district.

•

Of outstanding interest in Manitoba in 1946 was the success that attended the diamond drilling exploration engaged in by Sherritt Gordon in the vicinity of Lynn Lake, in the Granville Lake district. This work last year in three orebodies indicated approximately 5,000,000 tons of ore, averaging 1.18 per cent nickel and 0.60 per cent copper, to a depth of 1,000 feet. Sparking the new excitement, however, was the encountering of spectacular results in the first drill hole in another anomaly. In what is known as the "L" orebody drilling encountered an exceptional length (over 570 feet) of continuous high grade nickel. Three more holes are drilling at time of writing, while the first hole from 35 feet to 611 feet, where it was stopped, gave an average of 4.78 per cent nickel and 1.68 per cent copper.

•

Big things seem in sight for Manitoba. The past year saw over 3,000 claims recorded, the greatest number since 1929, and several areas figured in the revived activity. In the face of recent developments it is interesting to note that only indifferent results were met with by Sherritt Gordon and other companies over a period of years in exploring the Granville Lake section. About 70,000 feet of drilling was completed on three of the Sherritt orebodies, "A," "B" and "E," with results mentioned above. It is further a reasonable assumption these orebodies will provide a substantial additional tonnage below that horizon. Also worth remembering is the fact that this is a larger proven tonnage of ore than when Sherritt Gordon was equipped for production in 1931.

•

The location of the large Lynn Lake claims holdings of Sherritt Gordon is about 120 miles north of Sherridon, at the location of the original mine, and the initial discovery that caused the extensive diamond drilling program and the defining of large nickel-copper orebodies, was a small exposure of nickel-copper sulphides in an otherwise drift-covered area. Due to the location of the claims the bringing of the deposits into production will involve building a railway to the property, the development of hydro-electric power and an extensive program of underground development, the whole involving an estimated $25,000,000 capital investment. Two good power sites are said to be within reasonable distance of the company's claims, and announcement was made last week that Sherritt Gordon and God's Lake had made plans for the development of a power site, good for 100,000 h.p. on the Churchill River. This is taken as indicative of the expectations held by those interested as to the possible magnitude of the northern Manitoba nickel - copper area.

•

To justify such an extensive development program, at least 20,000,000

(*Continued on Page* 43)

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Forty-Seventh Annual Report
for the year ended 31 December, 1946

EARNINGS *From fees and investments*	(*Up $295,000*)	$3,452,000
EXPENSES	(*Up 352,000*)	2,718,000
PROFIT *Before taxes*	(*Down 57,000*)	734,000
TAXES	(*Up 1,000*)	294,000
NET PROFIT	(*Down 58,000*)	440,000
DIVIDENDS	(*Unchanged*)	380,000

CAPITAL, RESERVES AND SURPLUS
$8,163,000

ASSETS UNDER ADMINISTRATION
$901,000,000

Excerpts from Addresses at Annual Meeting, 11 February 1947

PRESIDENT

Canada is in many respects in an enviable position. Much real progress has been made in recovering from the dislocations and setbacks of war. Yet it cannot be denied that there is widespread anxiety that the economic initiative of the country is not being given the scope and the encouragement that would enable it to make plain its true power.

There seems to be a tendency to believe that profits represent an excess over need, and that this excess the state may properly appropriate. But this type of thought and practice depletes the whole dynamic of a free economic system. It is not merely a hindrance, nor an annoyance, nor only a discouragement. It is impoverishing the very soil which must yield the new business of the years to come.

There are signs that people and Government alike may be returning to the realization of the fundamental economic truth that whatever regulations may be found desirable in the public interest, the most natural and the most fruitful role of Government comes from what it may be able to do to reduce all that restricts and discourages, and to assist all that may release the immeasurable potentialities that lie in free individual effort and responsibility.

GENERAL MANAGER

The continued downward trend of interest rates is our greatest cause for concern in the investment of moneys entrusted to our care, and the problems which it presents are ever before us. For many investors who have no earning power, the situation is acute, and in some cases even desperate. They are truly the victims of circumstance and deserve more than passing sympathy.

Our particular charges are widows, orphans and other beneficiaries dependent upon the life savings of their former providers, and they are caught hopelessly and helplessly between high income taxes and substantially lower income returns. We would urge once more that the whole position of these dependent investors be given sympathetic consideration by the Government.

Our Company has played a leading role in providing the people of Canada with dependable trust service, as the growth of our business shows. Our record of progress is, I think, impressive, and, with trust companies solidly established in Canada and having proved beyond question their importance and benefit to the community, we can look forward with confidence to continued expansion of our business.

THE ROYAL TRUST COMPANY
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Business Established 1889

While keeping fully abreast of the times, this organization has acquired a fund of investment experience to draw upon in serving its clients abroad as well as from coast to coast in Canada.

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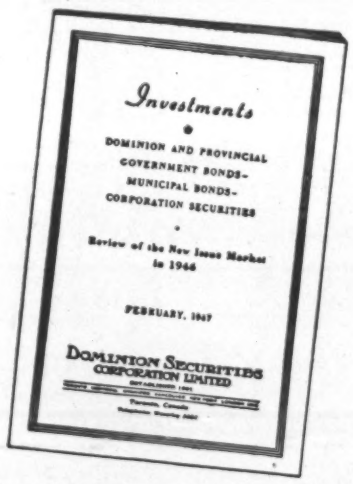

The February issue of our booklet "Investments" contains a "Review of the New Issue Market" in 1946 and offerings of a broad and representative list of government and corporation securities.

Copies available upon request.

Write, or telephone W Averley 3681

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GOLD & DROSS

It is recommended that answers to inquiries in this department be read in conjunction with the Business and Market Forecast.

T. P. D., Guelph, Ont.—If not already started, underground exploration at the 150-foot level should shortly commence at MARCUS GOLD MINES property, consisting of six claims in Dome township and 18 claims in Balmer township, Red Lake area, adjoining to the east of Cochenour Willans Gold Mines. Numerous sections carrying visible gold were obtained in diamond drilling, and the possibilities of developing an orebody on the No. 1 vein are regarded as favorable. Visible gold is reported encountered at irregular intervals along the entire length of over 400 feet of structure so far opened. Widths are narrow and assay values erratic making it difficult to estimate the possible grade. Officials felt that correlation of results could be much more easily carried out from underground. Sampling in the centre section of the vein indicated a length of 85 feet with an uncut grade of $16.10 across 3.5 feet, or a cut value of $7.00 per ton.

D. K. C., Campbellford, Ont.—You are entitled to receive two shares of CONWEST EXPLORATION CO. and one share of McVittie-Graham Mining Company for each 10 shares of McVITTIE-GRAHAM MINES you own. The transfer can be made through Chartered Trust & Executor Company, 34 King Street West, Toronto. Conwest is an active exploration and development company and its shares, listed on the Toronto Stock Exchange, are currently quoted around $1.30. McVittie Mining holds an inactive property in the Sudbury area, as well as a block of Conwest stock, reported last June as 43,000 shares.

W. C. K., Vancouver, B.C.—A concentrator and smelter, each expected to handle upwards of 100 tons daily, are expected to commence operating early this year at the NEWCOR MINING & REFINING property at Douglas Lake, Flin Flon area, Saskatchewan. The mill test run scheduled for December was delayed owing to the non-delivery of a small amount of electrical equipment which had been on order for some months. Lateral work on the fourth level has resulted in two new discoveries. Yes, Newcor is controlled by WAMPUM GOLD MINES which at last report held 2,053,750 shares, while Douglas Lake Gold Mines holds 1,092,750 shares. Wampum recently secured a group of 13 mining claims in the Groundhog River area of Ontario and a test of the holdings is planned following a general survey. The company last year commenced further exploration of its property in the Rowan Lake area, Kenora district, preparatory to resumption of underground work.

G. L. C., Brampton, Ont.—FLEURY-BISSELL LTD., for the year ended Oct. 31, 1946, had the best net profit since 1929 at $49,898, equal after preferred dividends to $2.14 a share of common stock. Operating profit amounted to $87,601. In the preceding year the company showed an operating loss of $3,705 and a net loss of $28,276. Deficit account as of Oct. 31, 1946, stood at $104,292. Balance sheet at the fiscal year end showed current assets of $278,008 and current liabilities of $92,005, leaving net working capital of $186,003 compared with $118,528 a year ago.

D. D. H., Portage La Prairie, Man.—Drifting operations commenced last year on the three new levels established on the Ferro property of WEKUSKO CONSOLIDATED LIMITED, at Herb Lake, some 85 miles northeast of The Pas. The headings, however, have not yet reached the area where diamond drilling indicated a 250-foot length, averaging $9.10 across a width of 8.2 feet. The shaft put down by previous operators to 160 feet was extended to 550 feet and new levels established at 275, 400 and 525 feet. The previous owners had developed a small shoot of ore 153 feet long, averaging $9.45 cut grade across 4.1 feet on the 150-foot horizon. Downward extension of this shoot has been developed on the new 275-foot level with medium grade ore encountered. Some 90 feet farther east a second shoot was located. Wekusko also holds a substantial interest in Squall Lake Gold Mines, and several other groups of claims in Manitoba. Finances have been supplied by God's Lake, Frobisher, Moneta Porcupine, Nipissing, Ventures Limited and Sherritt Gordon. The option agreement between Wekusko and this group was recently terminated, due, it is said, to the reluctance of certain members of the group to carry out their part of the agreement. I understand Wekusko directors are now negotiating a deal to secure the necessary finances. The above information will indicate to you that the shares are speculative.

H. R. D., Three Rivers, Que.—DOMINION OILCLOTH AND LINOLEUM CO., LTD., has reported a net profit of $1,169,092 equal to $1.60 per share for the year ended Oct. 31, 1946. This compares with a net profit of $1,096,979 or $1.57 a share for the previous year. Operating profits were $254,383 lower at $1,102,436, but this was offset by greater investment income and a reduction in tax provision. Due to shortages of building ma-

J. P. LANGLEY & CO.
C. P. ROBERTS, F.C.A.
Chartered Accountants
Toronto Kirkland Lake

BUSINESS AND MARKET FORECAST

Adjust Market Positions

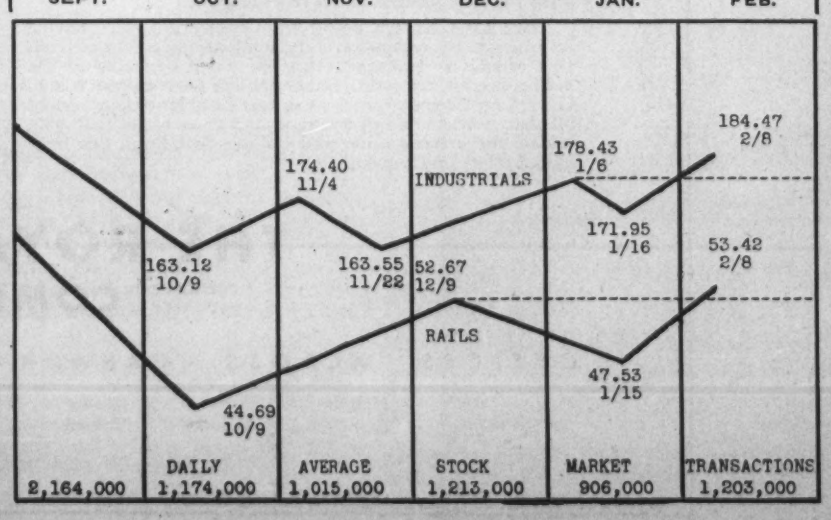
BY HARUSPEX

THE LONG-TERM N.Y. STOCK MARKET TREND: While the decline of the last half of last year went some distance toward discounting maladjustments in the economic picture, evidence is lacking that a point of fundamental turnabout has yet been reached. The September/October bottoms established a base out of which a minimum short term recovery has been achieved. Barring major adverse labor troubles, further intermediate advance is not to be ruled out over the month or two ahead.

We noted, a number of weeks back in these columns, that the stock market had achieved a minimum upside technical cancellation of the August-to-October decline and thus had become vulnerable to intermediate downturn in the event of any untoward news. Having made this qualification, we expressed the further thought, however, that business and earnings would continue to make good showings into the second quarter and that, under the circumstances, the odds would still seem to favor the bulls, implying room for further market rally.

Rally, in fact, has continued with the Dow-Jones industrial average having come within striking distance of the 185/190 level set up in these forecasts at the rally's initiation last autumn as a normal technical objective to be anticipated in the wake of the particular type of decline witnessed between August and October. There is nothing sacrosanct, however, about these limits and it is entirely possible that they could be exceeded, given favorable circumstances. Nevertheless, the 185/190 area is the normal expectancy and we would suggest that any entrance by the market into this area be used for the weeding out of questionable holdings, and for the taking of profits on any trading positions. In the event that the market subsequently moved above the 185/190 area, attention might then be given to additional selling on a scale basis of investment positions, but this is a matter for discussion "when, as, and if".

DOW JONES STOCK AVERAGES



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McCOLL-FRONTENAC OIL COMPANY LIMITED

"COMMON STOCK DIVIDEND"
NOTICE IS HEREBY GIVEN that a Dividend of 50 cents per share has been declared on the no par value Common Stock of McColl-Frontenac Oil Company Limited, payable March 15th, 1947 to shareholders of record at the close of business on February 15th, 1947.
By Order of the Board.
FRED HUNT,
Secretary.

The Stock Appraiser

By W. GRANT THOMSON

SUCCESSFUL investment depends on knowing two things: (1) What to buy (or sell) (2) When to buy (or sell). The Stock Appraiser—a study of Canadian stock habits—answers the first question.

All active and well distributed stocks (with a few minor exceptions) advance or decline with the Averages. The better grade investment stocks do not normally move as fast as the averages, while on the other hand the very speculative issues have a relative velocity more than twice or three times as great.

The STOCK APPRAISER divides stocks into three Groups according to their normal velocity in relation to the Averages.

GROUP "A"—Investment Stocks
GROUP "B"—Speculative Investments
GROUP "C"—Speculations

The Factors affecting the longer term movements of a company's shares are ascertained from a study of their normal habits. Predominant Factors are shown as:

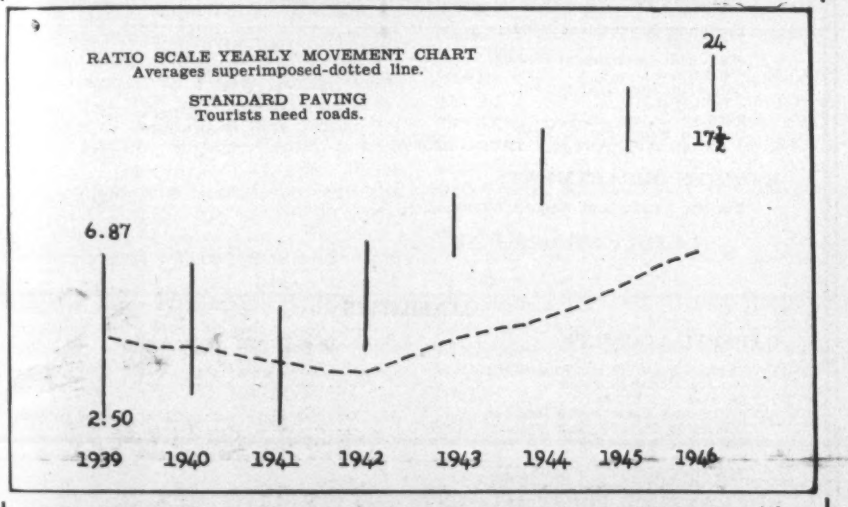
1. FAVORABLE
2. NEUTRAL or
3. UNATTRACTIVE

A stock rated Favorable or Neutral-Plus has considerably more attraction than those with a lower rating, but it is imperative that purchases be made, even of stocks with favorable ratings, with due regard to timing, because few stocks will go against the trend of the Averages.

The Investment Index is the average yield of all stocks expressed as a percentage of the yield of any stock, thus showing at a glance the relative investment value placed on it by the "bloodless verdict of the market-place."

STANDARD PAVING & MATERIALS, LIMITED

			Averages	Stand. Paving
PRICE 31 Jan. 1947	— $22.00			
YIELD	— 2.8%	Last 1 month	Unchanged	Up 11.5%
INVESTMENT INDEX	— 153	Last 12 months	Down 5.7%	Down 4.3%
GROUP	— "B"	1942-46 range	Up 160.0%	Up 500.0%
FACTORS	—Neutral-Plus	1946-47 range	Down 19.6%	Down 27.0%



SUMMARY:—A preferred stock that participates in dividends with the common shares or is convertible into the latter, can be appraised in a manner similar to any common stock.

Each Standard Paving preferred share is currently paying .62½c per annum; is entitled to a further non-cumulative dividend of .62½c; and participates with the common shares in an additional 62½c. Further, it is convertible into two common shares. It may be called at $27.50.

The Canadian Securities manual states that this company are "street and highway contractors in Ontario, Quebec and the Maritime Provinces." If one may judge general conditions by a few sections of highway with which the writer is acquainted, it might be assumed that Standard Paving has potentially unlimited work in these postwar years.

Although these shares have had an exceptional advance the possibilities do not appear to be exhausted.

terials, chiefly structural steel, work on the new plant, machinery and equipment, for production of all types of calendared linoleum will not be available for additional production as early as first expected. Shortages of raw materials and government control of the purchase of linseed oil hamper production, making it impossible to fully satisfy the present large domestic demand.

W. B. G., Regina, Sask.—Yes, NORTH AMERICAN LAND & MINERALS LIMITED changed its name to KELLY - KIRKLAND MINES LIMITED. It holds an inactive group of seven claims in the Kirkland Lake area. The controlling interest was also held in Kelmac Mines, which company recently sold its interests to Baldwin Consolidated Mines Limited, on a basis of one new for seven old shares, with the new stock pooled. The head office of Kelly-Kirkland is 37 Arthur Street, Elmira, Ontario. I have had no recent report on the activities of ST. LAWRENCE MINING CORPORATION, but as far as I am aware it is idle. Properties are held in Fourniere and Beauchastel townships, northwestern Quebec.

F. R. C., Welland, Ont.—The annual statement of BEATTY BROS., LTD., for the fiscal year ended Aug. 31, 1946, shows profits from operations, before providing for taxes and excluding non-operating income of $823,175.57 compared with $838,006.90 in 1945. Including non-operating profit the net profits for the year transferred to surplus account were $579,853.05 in 1946 compared with $457,394.81 in 1945. In the annual report for 1946, W. G. Beatty, president, states that the transition from wartime to peacetime activities of the company was accomplished without any great disturbance and that the reduction in sales caused by cancellation of war orders was more than offset by increased sales of the company's regular products. Only shortly before the end of the company's fiscal year were some increases in the selling prices of the company's products authorized. These increases did not fully compensate the company for the increasing costs of materials and labor which prevailed throughout the year.

A. T., Fort William, Ont.—ASTORIA ROUYN MINES was succeeded some years ago by Astoria Quebec Mines on the basis of one new for two old shares and these can be exchanged by the Capital Trust Corporation, Toronto. Shares of the latter company are traded on the Toronto Stock Exchange. The company last fall temporarily ceased development on its Rouyn township property. It was stated that despite many encouraging assays secured from diamond drilling the average gold content of the orebodies was not sufficiently high to justify further development, especially in view of the reduction in the price of gold due to dollar parity. A substantial interest has been acquired in Klondyke-Destor Mines and ground is also held in Louvicourt township. McMILLAN GOLD MINES continues inactive and I have heard of no plans for further activity. Properties in Mongowin and Scadding townships, Sudbury district, are still retained. Mill and equipment were disposed of in 1937. I believe the company has some cash in its treasury and no debts.

C. N. G., Longueuil, Que.—Despite continued shortages in many lines, consolidated net sales of LEWIS BROS. LTD. in 1946 exceeded those of the preceding year by more than 32 per cent. Estimated consolidated net earnings for 1946 before and after provision for income and excess profits taxes showed increases of about 129 and 103 per cent respectively compared to 1945. F. Wragge, president, says that according to preliminary calculations consolidated net profits available for dividends were more than doubled, indicated earnings of $1.03 a share in 1946 comparing with 51 cents for 1945. The president also reports that the current year has opened well for the company and, in the opinion of the executive, offers the prospect of continuing good business.

S. R. D., Kelowna, B.C.—While HEDLEY MASCOT GOLD MINES resumed underground work early in November the changes being effected in the mill will likely delay resumption of milling until the spring. The necessity for shipping concentrates to the Tacoma smelter wll be eliminated by the improvements to the milling plant. A strike of smelter employees last spring made it necessary to store the concentrates and this accumulation remained at the mine during the five-month strike of its employees. The company reported in December that it had all the labor required to resume development. It is estimated two to three years' work will be needed to explore the possibilities of the mine now in sight. The last official estimate of ore reserves was 150,000 tons at the end of 1944 and some 30,000 tons of broken ore are available. In the intervening period additional ore is reported to have been added to reserves from work on the Mascot claims and new ore structures of promise disclosed.

W. P. D., Moncton, N.B.—Yes, net income of SHAWINIGAN WATER AND POWER CO., LTD., during the year ended Dec. 31, 1946 reached the highest level since 1931, although gross income was below that of 1944. Net income transferred to earned surplus was reported at $3,192,126, equal to $1.46 a share, which compares with $2,305,975 or $1.06 a share, in 1945. Dividends for the year were $283,172 greater than for the previous year at $2,287,162, leaving earned surplus at the year end at $4,535,588 as against $3,966,651 as of Dec. 31, 1945. Compared with the previous year, gross revenue rose $760,017 to $22,746,215, operating expenses were $671,768 heavier at $11,596,430, bond interest declined $204,902 to $2,957,659, depreciation increased $150,000 to $3,150,000 and income and excess profits taxes decreased $743,000 to $1,849,000. Balance sheet as of Dec. 31, 1946, disclosed net working capital of $8,998,024 as against $2,677,867 the year before, with current assets of $13,023,840 comparing with $7,349,907 and current liabilities of $4,025,816 comparing with $4,672,040.

K. A. B., Toronto, Ont.—I look upon BRALORNE MINES shares as holding interesting possibilities for the long-term. Minewise the position is very favorable, ore reserves being close to an all-time high point, despite the war period and lack of labor for development. Ore reserves exceed 1,000,000 tons averaging 0.5 ounce gold per ton. The company has definite plans for mill expansion, and capital expenditures over the next few years are expected to be substantial. Directors have recommended $1,247,000 new financing, through issuance of subscription rights to shareholders, to increase productive capacity at the mine and to develop new properties. However, this proposal to build up the treasury has been delayed pending a more favorable manpower situation. The dropping of the dividend was attributed to labor troubles. The company's outside activities last year included acquisition of a two-thirds interest in Cariboo Crescent Gold Mines and a 50 per cent interest in the newly formed Braminco Mines in the Sturgeon Lake area of Ontario.

New York designer Norman Bel Geddes thinks that in the not-too-distant future the physical aspect of living will be vastly simplified, traffic congestion will be a thing of the past, as will sunless rooms and pedestrian-crowded streets. Here is his idea of an air terminal of the future, three miles in diameter, designed for airplanes, seaplanes and zeppelins.

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"Blue Chips" vs. Growth Stocks

Our "Monthly Bulletin" for February compares the ten year record of 15 "Blue Chips" with a group of growth stocks. It reveals that the growth shares more than doubled in value while the "Blue Chips" declined in value and income return.

Other interesting growth companies are described in this Bulletin. Write for a copy.

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ABOUT INSURANCE

Corporate Bonding of Contractors Provides Best Available Cover

By GEORGE GILBERT

There was a time, about fifty years ago, when personal suretyship was the general practice, but the losses resulting from the giving and accepting of personal bonds showed the need of some more dependable means of providing the required guarantees.

To meet this need corporate suretyship came into being and has been developed into such a strong and dependable institution that it is now recognized as the part of wisdom to insist on corporate suretyship in all cases where bonds are required.

WHILE THE principle of suretyship is not new—in one form or another it has been in use for five thousand years—it is only in comparatively recent times that the advantages of corporate over personal suretyship have come to be generally recognized. In its modern corporate form, its value on construction work, for example, has been amply demonstrated. In fact, virtually every other method of qualifying contractors has been tried over and over again with unsatisfactory results. So far nothing has been discovered which can take its place as a solvent third-party indemnitor. Whatever may be its superficial imperfections, the contract bond issued by a regularly licensed bonding company is the safest, most flexible and the most satisfactory means yet devised for the protection of owner, material man and laborer on the job.

Corporate suretyship includes three broad types of bonds. There are fidelity bonds under which the surety company agrees to reimburse employers for losses occasioned by the dishonesty of employees. When loss occurs under this type of bond, the surety company indemnifies the employer up to the amount named in the bond, and looks to the bonded employee for reimbursement. There are also judicial or court bonds required in legal proceedings. They may be either one of two forms—a fiduciary obligation on behalf of an executor, guardian or trustee; or a financial guarantee, such as an appeal or bail bond.

Contract Bonds

Then there are bonds guaranteeing the performance of contracts and the credit of persons obligating themselves to another party. Under a contract bond, when the contractor, named the principal in the bond, fails to perform or fulfill his obligation as specified, the surety company steps in and either completes the task or indemnifies the third party, called the obligee, that is, the party to whom the contractor is obligated, and looks to the contractor for reimbursement. Surety companies have carried to completion all sorts of private and public construction work—buildings, roads, canals, railways, water works, dams, and utility projects.

Construction contract bonds have been one of the largest premium producing lines in the surety business, and, as a rule, the amount, when a loss occurs, is large in comparison with other types of surety claims. While expert care in the selection of risks is exercised, losses running into hundreds of thousands of dollars in a single case are by no means uncommon.

As has been pointed out before, this form of suretyship has proved to be of incalculable benefit to the public in many respects, among which may be mentioned assistance in the selection and qualification of contractors, the furnishing of valuable aid, support and responsibility by the surety companies' trained staff in matters involving difficulties in performance of contracts, and the giving of vital assurance to laborers, material men and sub-contractors with regard to their accounts.

When the surety company receives notice of default by a bonded contractor, it usually has the option of assuming completion of the contract itself by employing men and equipment for this purpose, or, as is the general practice, of obtaining bids from other contractors to complete the work and employing the lowest responsible bidder as its agent or sub-contractor to complete the work at a fixed price.

Complex Problems

When the surety company is called upon to perform the obligations it has assumed under such a contract bond, it finds itself faced with a variety of problems which require prompt as well as thorough investigation in order to determine the proper course or action to be taken in order that the progress of the work be not unduly delayed. Complicated engineering, accounting and legal problems are often involved.

For one thing, the surety company must endeavor to determine the causes which brought about the default and whether it was due, in whole or in part, to dishonesty, inefficiency or incompetence on the part of the contractor, or whether it was because the contract price was inadequate. Sometimes, but not often, it is found that the owner, rather than the contractor, is at fault, and this of course would have an important bearing upon the obligations of the surety company.

Further, the surety company will endeavor to ascertain whether any work has been done, or is contemplated, that is not within the terms of the original contract, and, if so, it will see that proper extras are allowed by the owner. Instances have been cited where the owner has paid the contractor more than he was entitled to receive under the terms of his contract. However, the owner is not entitled, as between him and the surety company, to take credit for such over-payments, and accordingly such transactions must be carefully investigated by the surety company.

Other Factors

Also, the bonded contractor may have claims against other general contractors doing work at or adjacent to the same site, who, through delays or improper performance of their own work, may have been partially or wholly responsible for the difficulties that have arisen and against whom the bonded contractor may have the right to seek recovery for his damages. This may also apply to sub-contractors or material suppliers who may not have properly performed their contract. These several factors may have an effect on the liability of the surety company.

Surety companies recognize that they have an obligation to arrange, wherever possible, for the completion of the contract, and thereby perform a service to the owner that will result in minimizing any inconvenience to the owner brought about by the default of the contractor. According to one authority, it has been generally found that giving financial assistance to a defaulting contractor to enable him to complete the work is unsatisfactory, and that it is usually more economical to relet the work at a fixed price to another responsible contractor who can give a corporate surety bond, thereby avoiding uncertainty as to the amount of damages the surety company will incur.

When the default of a bonded contractor occurs, one of the first steps taken by the surety company is to ascertain whether any of the workmen have not been paid for their labor, and to make immediate arrangements to pay whatever is properly due them in order to relieve the distress of unpaid workers as quickly as possible. This is a part of the service of a surety company which is appreciated in the community.

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Inquiries

Editor, About Insurance:

I would be greatly obliged if you would tell me about the Mill Owners Mutual Fire Insurance Company. I am insured in it and would like to know if it is safe to place insurance with.

—D. E. H., Wolfville, N.S.

Mill Owners Mutual Fire Insurance Company, with head office at Des Moines, Iowa, and Canadian head office at Hamilton, was incorporated in 1875 and has been doing business in Canada under Dominion license since 1924. It is a mutual company, and prior to January 1, 1936, it issued both a cash policy with no contingent liability and a mutual policy which was assessable, but since then it has been issuing only a non-assessable dividend-paying policy. At the end of 1945, the latest date for which Government figures are available, its total assets in Canada were $416,626, while its total liabilities in this country amounted to $199,456, showing an excess of assets in Canada over liabilities in Canada of $217,170. Its total income in Canada in 1945 was $262,219, and its total expenditure, $266,507, including $44,546 in dividends to policyholders. It showed an underwriting gain in Canada for 1945 of $17,144. It is safe to do business with and all claims are readily collectable.

THE SIXTY-EIGHTH ANNUAL REPORT
OF
The British Mortgage and Trust Corporation of Ontario
STRATFORD

Balance Sheet, December 31st, 1946

ASSETS

CAPITAL ACCOUNT:		
Office premises		$ 48,663.48
Real Estate for sale		47,728.00
Mortgages—		
Principal	$ 44,530.65	
Interest due	154.76	
		44,685.41
Government Bonds: Principal		37,419.57
Canadian Municipal Bonds: Principal		31,227.97
Stocks		1,635,796.00
Cash on Hand and in Bank		175,132.67
Advances to Estates		636.06
TOTAL CAPITAL ASSETS		$ 2,021,289.16
GUARANTEED TRUST ACCOUNT:		
Mortgages and Agreements for Sale:		
Principal	$ 2,918,994.86	
Interest due	546.64	
	$ 2,919,541.50	
Dominion Government Bonds:		
Principal	4,883,396.70	
Provincial Government Bonds:		
Principal	408,847.29	
Canadian Municipal Bonds:		
Principal	50,918.82	
Stocks	311,712.50	
Cash on Hand and in Bank	348,143.98	
TOTAL GUARANTEED TRUST ASSETS		$ 8,922,560.79
ESTATES DEPARTMENT:		
Estates, Trusts and Agency Funds		$ 791,053.93
		$11,734,903.88

LIABILITIES

CAPITAL ACCOUNT:		
Capital Stock Fully Paid Up		$ 1,000,000.00
General Reserve Fund		850,000.00
Reserve for Taxes		52,275.43
Profit and Loss Credit Balance		78,371.25
Dividends Payable 2nd January, 1947		40,000.00
All Other Liabilities		642.48
TOTAL CAPITAL LIABILITIES		$ 2,021,289.16
GUARANTEED TRUST ACCOUNT:		
Guaranteed Investment Receipts—		
Principal	$ 4,117,919.59	
Interest Due and Accrued	40,311.03	
		$ 4,158,230.62
Trust Deposits—		
Principal and Interest		$ 4,764,330.17
TOTAL GUARANTEED TRUST LIABILITIES		$ 8,922,560.79
ESTATES DEPARTMENT:		
Estates, Trusts and Agency Funds		$ 791,053.93
		$11,734,903.88

NOTE: Bonds and Stocks are carried at book value, which is less than market value.

NELSON MONTEITH, President. W. H. GREGORY, Managing Director.

ACCUMULATION

By continually reviewing the holdings of our clients, in the light of any new developments, we can help them to increase their investment fund.

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Pilot Insurance Company

(Incorporated under the laws of the Province of Ontario)

BALANCE SHEET
December 31, 1946

ASSETS		LIABILITIES		
Bonds and Debentures at amortized book value,	$1,195,653.34	Provision for Unpaid Claims,		$ 266,029.85
Cash on hand and in bank,	133,330.26	Reserve of Unearned Premiums at 80%,		477,781.86
Agents' Balances and Premiums Uncollected (net),	138,548.78	Expenses due and accrued,		5,341.61
Interest due and accrued,	6,932.93	Reserve for Taxes,		21,340.50
Due from Reinsurance Companies,	1,283.75	Agents' Credit Balances (net),		253.31
Pension Fund Balances Receivable,	2,809.41	Reinsurance Premiums due and unpaid,		4,548.61
Cash Surrender Value of Endowment Policy,	17,650.00	Reserve for Depreciation of Securities,		35,000.00
Refundable Portion of Excess Profits Tax,	16,174.84	Capital Stock,—		$ 810,295.74
Receiver General of Canada—Claim on Overpayment of Income and Excess Profits Taxes,	22,001.85	Authorized, 15,000 shares of $20.00 par value. Issued and paid up, 10,225 shares,	$204,500.00	
	$1,534,385.16	Surplus,	519,589.42	724,089.42
				$1,534,385.16

NORMAN G. DUFFETT
Vice-President and General Manager

H. E. WITTICK
Secretary

To the Shareholders,
Pilot Insurance Company, Toronto.

We have audited the accounts of your Company for the year ending December 31, 1946, and certify that our requirements as Auditors have been complied with.

The annexed Balance Sheet is, in our opinion, properly drawn up so as to exhibit a true and correct view of the state of your Company's affairs at December 31, 1946, and as shown by its books.

January 22, 1947.

EDWARDS, MORGAN & CO.,
Chartered Accountants.

News of the Mines

(*Continued from Page* 39)

tons of ore must be indicated by diamond drilling and by underground development, Eldon L. Brown, Sherritt Gordon's president, states, who for years and almost alone, was convinced of the area's possibilities. He also has expressed his confidence that this objective eventually will be reached. In addressing the Manitoba Chamber of Mines at Winnipeg in December, Mr. Brown remarked, "This Lynn Lake deposit has already been proven to be the third largest base metal deposit in Manitoba and I think it is only a matter of a short time until it is definitely proven to be the second largest," and he went on to add, "it is the first nickel deposit on this continent outside of the Sudbury area, that gives promise of being competitive with the mines of that area."

That the new camp has possibilities for supplementing the famous Sudbury field is fast being recognized. Early last summer Mr. Brown gave it as his opinion "that at Lynn Lake we have not just a new mine, but that we have a new mining district, in which we should eventually have several mines." At that time he stated "We now have anomalies distributed over a length of two miles with both ends of the structure still open." The "L" orebody, cause of the recent excitement, is close to the boundary with God's Lake Gold Mines. The latter company has over 200 claims in the area, and is associated with Sherritt Gordon in development plans and proposes early drilling. Sherritt holds over 300 claims and both companies have been extending their stakings. Acreage in the Lynn Lake area has been acquired by many companies following Sherritt Gordon's drilling success, but interest has greatly broadened this year. It is estimated that approximately one hundred square miles is covered by stakings to date. In the area are such companies as International Nickel Company of Canada, Conwest Exploration Company, International Mining Corporation (Canada) Limited, Falconbridge Nickel Mines, Towagmac Exploration Company, Cheskirk Mines, Denison Nickel Mines, Baker Lake Explorations, controlled by Vincent Mining Corporation, and others.

Company Reports

Canada Permanent

FINANCIAL statement of Canada Permanent Mortgage Corporation for the year ended December 31, 1946, shows total assets at the highest point in the corporation's history. Deposits also are at a new peak and investment in highly liquid assets such as government bonds more than equals the liability to the depositors. Profits are up moderately. Investment in mortgages has increased over $2,000,000 and real estate held for sale has virtually reached the vanishing point at $19,000.

Profit at $735,344 compares with $713,238 a year ago. After dividends of $560,000, writing $100,000 off office premises and paying $50,000 to the staff pension fund, the balance forward is $528,890, an increase of $25,000.

Total assets of $73,429,058 have grown from $67,234,966. The investment in mortgages and accrued interest is $39,399,203, compared with $37,200,896 a year earlier. Office premises are carried at $3,093,300. Dominion bonds total $20,164,517, up from $18,908,986, while other high-grade securities and cash are over $10,500,000. The $978,000, or nearly 98 per cent of the stock of the Canada Permanent Trust Company is carried on the books of the parent company at par. The assets of estates and trusts being administered by the Trust Company total $68,600,000., and the combined assets of the two Corporations now exceed $143,000,000.

Although deposits at $29,353,413 are at a new high, the sterling and Canadian debentures together comprise the greater item in liabilities amounting to $31,258,900 as compared with $30,880,132 a year earlier.

Tor. General Trusts

THE annual financial report of the Toronto General Trusts Corporation, covering the fiscal year ended December 31, 1946, shows the total of estates, guaranteed and capital assets at $296,256,212, the highest figure in the corporation's history, exceeding that of the previous year by $18,714,765.

Liquid assets held in the capital and guaranteed sections amount to 149.2 per cent of the savings on deposit; a continuance of the strong liquid position maintained by the corporation.

The balance sheet shows a new item, under the caption investment reserve, in the sum of $500,000, reported as now released from reserves previously set up.

Net profit at $555,513 compares with $472,498 for 1945. After paying regular quarterly dividends at the annual rate of 6 per cent and a bonus of 1 per cent for a total of $210,000, providing $135,000 for federal and business taxes, writing office premises down $57,335 and alloting $27,500 to the staff retirement annuity plan, the surplus for the year of $125,678 was added to the balance at profit and loss to give a total forward of $276,677.

Great-West Life

DURING 1946 the Great-West Life Assurance Company passed the billion mark in business in force, and at the end of the year the total had increased to $1,057,721,000, compared with $924,233,769 at the end of 1945. New business placed in force last year under insurance and annuity contracts amounted to $173,345,000, compared with $129,773,112 in 1945. Payments to policyholders and beneficiaries in 1946 totalled $17,625,196, compared with $16,193,524 in 1945. Policy reserves at the end of 1946 amounted to $224,758,311, compared with $200,844,863 at the end of the previous year. Total assets were $275,284,369, compared with $235,030,038 at the end of 1945. The assets were distributed as follows: Bonds and debentures, 80.8 per cent; mortgages and properties, 10.6 per cent; policy loans, 5.4 per cent; stocks, 2.4 per cent; cash and miscellaneous, 0.8 per cent. The interest rate on invested assets was 4.10 per cent, compared with 4.62 per cent in 1945. Capital and surplus funds at the end of 1946 amounted to $13,879,780, compared with $12,327,907 at the end of 1945. The unallotted surplus was $9,629,780, compared with $8,077,907 at the end of 1945.

Empire Life

NEW business placed in force last year by the Empire Life Insurance Company, including policies of insurance, deferred annuities, increases in old policies and revivals, amounted to $14,282,634, as a... $11,482,841 in 1945. At the end... 1946 the business in force totalled $70,970,105, as against $61,731,325 at the end of the previous year. Payments to policyholders and beneficiaries in 1946 amounted to $954,236, as against $862,775 in the previous year. Assets at the end of 1946 amounted to $14,775,922, as against $13,735,904 at the end of 1945. Total receipts in 1946 were $2,767,923, as against $2,358,743 in 1945. Policy reserves totalled $12,597,052, as against $11,804,087 at the end of 1945. Surplus funds, special reserves and shareholders' funds at the end of 1946 amounted to $1,526,945, as against $1,354,581 at the close of the previous year. The unallotted surplus was

(*Continued on Page* 44)

THE Casualty Company of Canada
HEAD OFFICE - TORONTO
AGENCY OPPORTUNITIES
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E. D. GOODERHAM, President A. W. EASTMURE, Managing Director

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WHERE DO BUYERS COME FROM?

Survey of cars parked in the shopping section of a large Canadian town on Saturday afternoon showed 256 out of 452 autos were owned by farmers! Nearly two-thirds of these cars came from more than 10 miles away.

Every one of these cars represented a farm family; and a farm family, these days, represents substantial buying power.

Your retail outlets may be largely urban; but a surprisingly large proportion of the buying in those town and city stores is done by people from the surrounding farm community.

CASH FARM INCOME IN CANADA

1946 - $1,665,000,000?
1945 - $1,654,000,000
1944 - $1,751,700,000
1943 - $1,402,100,000
1942 - $1,100,900,000

The previous record, made in the "Golden Twenties" year of 1928, was $1,063,800,000. Each of the past five years has broken that record.

KEY FARM PAPERS OF CANADA

Le Bulletin des Agriculteurs
Montreal
The Canadian Countryman
Toronto
The Country Guide
Winnipeg
The Farmer's Advocate
London
Farmer's Magazine
Toronto
The Maritime Farmer
Sussex, N.B.
The Western Producer
Saskatoon

GET the FACTS!

"Facts are chiels that winna ding," says the old Scots proverb. Freely translated, that means, "You can't get around the facts". That is still true—and particularly true in business. You simply cannot plan or decide wisely without the facts . . . all the facts.

What are the facts about the Canadian farm market? Well, first of all, Canadian farm families are now in their sixth straight year of all-time record income. It's the longest straight run of high farm income in Canadian history.

Second, this record farm income has resulted in record reduction of farm debts and record accumulation of farm savings. The finances of farm families the country over are in sounder condition than they have ever been.

Long-Term Volume

Third, world demand for food (reflected in long-term contracts at firm prices) assures a strong market for everything Canadian farms can produce for at least three years, and probably longer. Britain alone—leaving out all the rest of a hungry world—will take all of several major farm products which Canada can ship for years to come.

Record farm income, record farm savings, and continued high farm income mean record demand for your goods . . . continuing demand. The Canadian farm family market is something you can count on for substantial long-term volume—something certain in an uncertain world—something solid. It is worth your most serious, concentrated, and continued attention.

The Agricultural Press Association of Canada will gladly supply any facts you may require to help you evaluate the farm market for your products.

Agricultural Press Association
OF CANADA
137 WELLINGTON STREET WEST, TORONTO

Diplomacy Can't Match Power and Reason

By R. M. COPER

Mr. Harold Nicolson recently examined the diplomatic methods and principles of the Paris Peace Conference of 1946. He concludes that the Conference may turn out to have been a farce.

The writer of this article contends that the diplomatic methods and principles of a bygone era cannot iron out the fundamental differences between the present peacemakers. Only power and intellectual authority can do so.

Canada has not yet found her bearings in this lively scene, as her recent memorandum concerning the German settlement proves.

THE VETERAN British diplomat, Mr. Harold Nicolson, recently examined the question, "Peacemaking at Paris: Success, Failure or Farce?" He summed up his considered opinion as follows: "Was it a success? No, it was not a success. Was it a failure? No, it was not entirely a failure. Was it a farce? Only if the lessons which it taught us are in future disregarded."

The reader is bewildered. What is a thing that is neither success nor a failure and that, moreover, may become a farce through something which lies not in itself but which might or might not happen in the future? This is truly "diplomatic" language, that is to say, a language which does not know the words yes and no, and which was customary, though not always appropriate, in an era in which international problems were formal-political rather than material-social and economic.

This fact becomes quite evident when Mr. Nicolson says: "Obviously, if the making of the present peace had rested solely in the hands of the United States, Great Britain and France, an agreed peace, not only with our minor enemies, but also with Germany and Japan, would have presented no extreme diplomatic difficulty." In other words, diplomacy is what the dictionary says it is, namely, "the art of conducting negotiations between states," but only if these states and their diplomats are agreed beforehand on what the outcome of their negotiations is to be.

Historic Conferences

To make quite sure that he deals with the precepts of a bygone era, Mr. Nicolson refers to experiences such as the peace conference after the Napoleonic Wars, and the Peace Conference of 1919. It is quite true that the coalition of the victors became disunited in both these cases immediately after the end of hostilities. But the cause of disunity was no more than dynastic caprice in the first case; whereas it was lofty idealism versus the grabbing for reparations in the second case, while the principles of reparations were discussed by "irresponsible" economists alone.

Territorial objectives showed the same mixture of justification and short-sightedness then as they show now. But there is a vast difference between then and now with respect to the economic, social and political objectives of the peacemakers. These differences can be resolved by "diplomacy" as little as differences between capital and labor. They constitute a problem of give and take, of dollars and cents not in any rapacious way, but in a way that considers the life of the cow which is to be milked; and quite apart from ideologies. This consideration did not enter into the picture as long as peacemakers were agreed beforehand to let the cow live. But experience has proved, since 1919, that such agreement is no longer sufficient and that the question of *how* the cow shall live is just as important as the decision *that* it shall live.

Mr. Nicolson says: "The reason why the present settlement is one of such immense perplexity is that Russia's territorial, political, economic and social objectives are in complete variance with those of her allies". That, in this situation, Russia and the other allies are daily sitting at conference tables is a triumph of the good will of all. To bemoan diplomatic difficulties is beside the point. These difficulties exist only in the minds of those to whom diplomacy is a code of behavior, a code that was devised when diplomats did not have to iron out fundamental differences. What matters is that these differences are ironed out, not that they be glossed over according to a code of antiquated niceties.

On Firmer Ground

Mr. Nicolson moves on firmer ground when he compares the American delegations of 1919 and 1946, and finds the latter wanting. It is, indeed, as easy to be tough with Russia as it is, at the other end of the ideological gamut, to be soft with her. But these emotional attitudes are no substitute for what Mr. Nicolson calls intellectual authority. Of course, some people might ask what the intellectual authority of the American delegation of 1919 has availed the world. But even the most cynical answer to this question must not include the belief that untrained minds could succeed now where trained minds failed in 1919.

Canada has not yet found her bearings in this lively scene. Eager to support the British view concerning the German settlement she has submitted a memorandum to the deputies of the big four foreign ministers. This memorandum is noble where it expresses sentiments: it is weak where it makes proposals. The discrepancy could have been avoided if the proposals, like the sentiments, had been based on a comprehensive view of the German problem. As it is, the memorandum creates the impression of being an exercise that was written by jurists reinforced by an historian who were confined to a British-Canadian ivory tower during their labors. Apparently they did not consult a diplomat, or he might have asked them how he should convince the conference of what Canada was able and willing to contribute apart from a weak memorandum.

Falling in with Britain's desire for German decentralization, Canada has taken no cognizance of the fact that the British desire is contradictory in itself in that the socialization which Britain has proclaimed for large-scale German industry clashes with any possibility of effective economic decentralization. What decentralization is then left in the political sphere is bound to break down for economic reasons, possibly before it can be carried out. The clash is not mitigated by the fact that Canada does not subscribe to the economic principle laid down for Germany by Britain.

There is thus no intellectual authority in Canada's proposals. There is none in the British and French proposals either. This being so, no "diplomacy" on the part of small, medium or any other nations will be able to take the decision and the responsibility out of the hands of the United States and Russia. For no matter what degree of intellectual authority these two countries possess, they alone have the power that is necessary for good or evil. And they alone have the power and, we must hope, the broad-mindedness to accept intellectual authority if it comes forth elsewhere. But we cannot reasonably expect them to accept "diplomacy" and intellectual confusion instead.

Britain's cities have returned to almost wartime blackout in the Government's desperate efforts to replenish fuel supplies. Above, Parliament Sq., London, showing hurricane lamps placed to illuminate road beacons.

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Company Reports

(*Continued from Page* 43)

$450,061 at the end of 1946. The average rate of interest earned on the assets in 1946 was 3.93 per cent, as against 4.42 per cent in 1945.

British Mortgage

THE financial statement of British Mortgage and Trust Corporation of Ontario for the year ended December 31, 1946, shows net earnings for period of $97,681, as compared with $94,510 the year before. After distributing dividends of $80,000 balance carried forward as of December 31, 1946, amounted to $78,371, against $60,689 at the end of the previous fiscal year. Total assets are shown at $11,734,903, which represents an increase of $1,107,754 over total assets as of December 31, 1945.

Public funds entrusted to the corporation increased over $1,000,000 during the past year, Nelson Monteith, president points out. This aggravated the already acute, and forced directors to reduce further the interest rate on deposits and guaranteed investment certificates.

Mutual Life of Canada

PAYMENTS to policyholders and beneficiaries in 1946 by the Mutual Life Assurance Company of Canada totalled $16,897,185, as against $14,225,453 in the previous year. Business in force at the end of 1946 amounted to $855,165,736, as against $773,548,363 at the close of 1945. Liabilities, in-1946 totalled $104,946,910 as against $70,008,890 in the previous year. Assets at the end of 1946 amounted to $286,792,678, as against $269,560,078 at the close of 1945. Liabilities, including policy reserves, special reserves, provisions for dividends to policyholders, etc., totalled $274,377,204, as against $257,976,919 at the end of 1945. The unassigned surplus at the end of 1946 amounted to $12,415,474, as against $11,583,159 at the end of 1945. The rate of interest earned on invested assets in 1946 was 3.96 per cent, as against 4.27 per cent in 1945. Income in 1946 totalled $36,156,737, as against $33,193,294 in the previous year.

Sun Life

AS one of the world's leading life insurance institutions and one which has made this country well and favorably known in many lands, the progress of the Sun Life Assurance Company of Canada from year to year is of special interest. In 1946 its payments to policyholders and beneficiaries amounted to $101,485,671, compared with $90,226,067 in the previous year. With respect to the disposition of the Sun Life 1946 premium dollar, the report shows that in relation to every 73 cents paid by policyholders last year in premiums, 86½ cents was either paid out to them or credited to funds for their security and benefit. Its new assurances in 1946 totalled $348,155,491, compared with $241,409,819 in 1945. Total assurance in force at the end of the year was $3,573,132,753, compared with $3,990,372,327 at the end of 1945. Total assets were $1,343,132,974, compared with $1,279,255,349 at the end of 1945. The interest rate on the invested assets was 3.52 per cent, compared with 3.51 per cent in 1945. The income was $242,567,791, compared with $219,378,090 in 1945. The surplus and contingency reserve at the end of 1946 was $85,323,080, compared with $71,014,102 at the end of 1945. The death rate in 1946 was the most favorable recorded by the company.

Northern Life

AT the end of 1946 the business in force of the Northern Life Assurance Company of Canada, with head office at London, Ont., totalled $92,027,276, compared with $78,114,776 at the close of 1945. New settled-for business exclusive of revivals and increases, amounted to $17,663,998 in 1946, compared with $11,589,106 in 1945. Total income last year was $3,339,940, compared with $2,887,741 in 1945. Disbursements totalled $1,764,805, compared with $1,452,467 in the previous year. Payments to policyholders and beneficiaries amounted $973,213 in 1946, compared with $777,557 in 1945. Assets at the end of the year totalled $17,867,657, compared with $16,414,800 at the end of 1945. The net rate of interest earned on the invested assets in 1946 was 3.70 per cent, compared with 3.90 per cent in 1945. At the end of 1946 the free surplus over policy reserves, policyholders' dividend reserve, capital and shareholders' funds, reserve for unreported claims, investment reserve and all liabilities was $451,144, compared with $402,015 at the end of 1945.

Royal Trust

THE Royal Trust Company, at its annual meeting this week, reported a net profit of $440,000, or $4.40 per share for 1946, a decrease of $58,000 from $498,042, or $4.98 for 1945.

Gross earnings amounted to $3,452,000, a record figure and up $295,000. Expenses before taxes reached a new top at $2,718,000, an increase of $352,000, and gross profit was $733,489, a decrease of $57,556.

Assets under administration rose $19,000,000 at $901,000,000.

"Canada is in many respects in an enviable position. Much real progress has been made in recovering from the war. Yet there is widespread anxiety that economic initiative is not being given the scope and the encouragement that would enable it to make plain its true power," said Robert P. Jellett, president.

"The attempt to regulate prices and wages has brought about a remarkable extension of the state's control. I have not believed, however, that any combination of brains at the disposal of governments can ever equal the almost automatic effects of the ordinary law of supply and demand in the efficient adjustment of prices and wages.

"There seems to be a tendency to believe that profits represent an excess over need, and that this excess the state may properly appropriate. But this type of thought and practice depletes the whole dynamic of a free economic system. It is impoverishing the very soil which must yield the new business of the years to come.

"Succession duties represent another form of taxation that is seriously preventing the expansion of business and industry by preventing the accumulation of capital. The state indeed is making itself an heir to the fruits of private enterprise. Another serious discouragement is the low rate of interest on invested capital that is being created by the manner in which the supply of money may be controlled by a state bank. These depressed interest rates act in many cases as an additional income tax, penalizing thrift."

1946
A Record Year
for
EMPIRE LIFE

Sound growth in financial strength and security to policyholders is reflected in the Company's operations as shown by this summary from the Annual Report.

Insurance In Force . .	$70,970,105
Total Income	$ 2,767,923
New Insurance, paid for and revived . .	$14,282,634
Total Assets	$14,775,922
Policy Reserves	$12,597,052
Payments to Living Policyholders and Beneficiaries	$ 999,712
Surplus for Protection of Policyholders . .	$ 1,526,245

A Copy of the Annual Report will be mailed on request.

EMPIRE LIFE
INSURANCE COMPANY
KINGSTON ONTARIO